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TREASURY DEPARTMENT

U.S. Treasury Dept.

# Annual Report, 1954.

## of the

# Secretary of the Treasury

## on the

# State of the Finances

*For the Fiscal Year Ended June 30, 1954*

TREASURY DEPARTMENT

DOCUMENT NO. 3194

*Secretary*

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON : 1955

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Washington 25, D. C. - Price $2.50

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## SECRETARIES, UNDER SECRETARIES, AND ASSISTANT SECRETARIES OF THE TREASURY DEPARTMENT FROM JANUARY 20, 1953, TO NOVEMBER 15, 1954,[1] AND THE PRESIDENTS UNDER WHOM THEY SERVED

| Term of service | | Official | Served under-- | |
|---|---|---|---|---|
| From | To | | Secretary of the Treasury | President |
| | | **Secretary of the Treasury** | | |
| Jan. 21, 1953 | ................ | George M. Humphrey, Ohio | ............................ | Eisenhower. |
| | | **Under Secretary** | | |
| Jan. 28, 1953 | ................ | Marion B. Folsom, New York | Humphrey ............. | Eisenhower. |
| | | **Deputy to the Secretary** | | |
| Jan. 21, 1953 | Aug. 2, 1954 | W. Randolph Burgess, New York | Humphrey ............. | Eisenhower. |
| | | **Under Secretary for Monetary Affairs [2]** | | |
| Aug. 3, 1954 | ................ | W. Randolph Burgess, New York | Humphrey ............. | Eisenhower. |
| | | **Assistant Secretaries[2]** | | |
| Jan. 24, 1952 | ................ | Andrew N. Overby, District of Columbia | Snyder, Humphrey ... | Truman, Eisenhower. |
| Jan. 28, 1953 | ................ | H. Chapman Rose, Ohio | Humphrey ............. | Eisenhower. |
| Sept. 20, 1954 | ................ | Laurence B. Robbins, Illinois | Humphrey ............. | Eisenhower. |
| | | **Fiscal Assistant Secretary** | | |
| Mar. 16, 1945 | ................ | Edward F. Bartelt, Illinois | Morgenthau, Vinson, Snyder, Humphrey ... | Roosevelt, Truman, Eisenhower. |
| | | **Administrative Assistant Secretary** | | |
| Aug. 2, 1950 | ................ | William W. Parsons, California | Snyder, Humphrey ... | Truman, Eisenhower. |

[1]For officials from Sept. 11, 1789, through Jan. 20, 1953, see exhibit 55, p. 314, in the 1953 annual report.

[2]The positions of Under Secretary for Monetary Affairs and an additional Assistant Secretary were established under the provisions of Public Law 516, 83rd Congress, approved July 22, 1954.

## PRINCIPAL ADMINISTRATIVE AND STAFF OFFICERS OF THE TREASURY DEPARTMENT AS OF NOVEMBER 15, 1954

### Secretary

### George M. Humphrey

| | |
|---|---|
| Marion B. Folsom | Under Secretary of the Treasury. |
| Willis D. Gradison, Jr. | Assistant to the Under Secretary. |
| Dan Throop Smith | Special Assistant to the Secretary and Supervisor, Analysis Staff. |
| Eugene E. Oakes | Chief, Tax Division, Analysis Staff. |
| Robert P. Mayo | Chief, Debt Division, Analysis Staff. |
| Laurens Williams | Assistant to the Secretary and Head, Legal Advisory Staff. |
| William W. Parsons | Administrative Assistant Secretary of the Treasury. |
| Willard L. Johnson | Budget Officer. |
| Howard M. Nelson | Assistant Budget Officer. |
| (Vacancy) | Director of Personnel. |
| Joseph A. Jordan | Assistant Director of Personnel. |
| Paul McDonald | Director of Administrative Services. |
| John D. Larson | Assistant Director of Administrative Services. |
| Edward E. Berney | Chief, Buildings Surveys and Maintenance Division. |
| Henry L. Merricks | Chief, Office Services Division. |
| W. Randolph Burgess | Under Secretary for Monetary Affairs. |
| Andrew N. Overby | Assistant Secretary. |
| Laurence B. Robbins | Assistant Secretary. |
| Harold T. Mason | Assistant to the Assistant Secretary. |
| Robert C. Maxwell | Assistant to the Assistant Secretary. |
| David M. Kennedy | Assistant to the Secretary. |
| Frank A. Southard, Jr. | Special Assistant to the Secretary. |
| Edward F. Bartelt | Fiscal Assistant Secretary of the Treasury. |
| William T. Heffelfinger | Assistant to the Fiscal Assistant Secretary. |
| Hampton A. Rabon, Jr. | Technical Assistant to the Fiscal Assistant Secretary. |
| Martin L. Moore | Technical Assistant to the Fiscal Assistant Secretary. |
| Frank F. Dietrich | Technical Assistant to the Fiscal Assistant Secretary. |
| George F. Stickney | Head, Fiscal Service Operations and Methods Staff. |
| H. Chapman Rose | Assistant Secretary of the Treasury. |
| Comdr. Q. R. Walsh, U. S. C. G. | Aide to the Assistant Secretary. |
| David P. Page | Assistant to the Secretary. |
| James P. Hendrick | Assistant to the Assistant Secretary. |
| John P. Weitzel | Assistant to the Assistant Secretary. |
| Elmer T. Acken | Assistant to the Assistant Secretary. |
| Nils A. Lennartson | Assistant to the Secretary (for public affairs). |
| Malachi L. Harney | Technical Assistant to the Secretary for Enforcement. |
| Clarence O. Tormoen | Assistant to the Secretary and Personnel Security Officer. |

## Office of the General Counsel

| | |
|---|---|
| Vacant | General Counsel. |
| Elting Arnold | Assistant General Counsel. |
| John K. Carlock | Assistant General Counsel. |
| Charles R. McNeill | Assistant General Counsel. |
| Daniel A. Taylor | Assistant General Counsel. |
| Laurens Williams | Head, Legal Advisory Staff (Assistant to the Secretary). |
| Raphael Sherfy | Associate Head, Legal Advisory Staff. |
| Frederick C. Lusk | Assistant Head, Legal Advisory Staff. |
| Robert F. Magill | Assistant Head, Legal Advisory Staff. |
| Hugo A. Ranta | Assistant to the General Counsel. |
| Lawrence Linville | Special Assistant to the General Counsel. |
| Kenneth S. Harrison | Chief Counsel, U. S. Coast Guard. |
| Trevor V. Roberts | Chief Counsel, Office of the Comptroller of the Currency. |
| Robert Chambers | Chief Counsel, Bureau of Customs. |
| Edwin F. Rains | Chief Counsel, Foreign Assets Control. |
| Daniel A. Taylor | Chief Counsel, Internal Revenue Service. |
| Elting Arnold | Chief Counsel, Office of International Finance. |
| Alfred L. Tennyson | Chief Counsel, Bureau of Narcotics. |
| Thomas J. Winston, Jr. | Chief Counsel, Bureau of the Public Debt. |
| George F. Reeves | Chief Counsel to the Fiscal Assistant Secretary. |

## Office of International Finance

| | |
|---|---|
| George H. Willis | Director. |
| Charles Dillon Glendinning | Deputy Director and Secretary, National Advisory Council. |
| Elting Arnold | Acting Director, Foreign Assets Control. |

## Office of the Comptroller of the Currency

| | |
|---|---|
| Ray M. Gidney | Comptroller of the Currency. |
| L. A. Jennings | First Deputy Comptroller of the Currency. |
| W. M. Taylor | Second Deputy Comptroller of the Currency. |
| G. W. Garwood | Third Deputy Comptroller of the Currency. |
| W. P. Folger | Chief National Bank Examiner. |

## Bureau of Customs

| | |
|---|---|
| Ralph Kelly | Commissioner of Customs. |
| D. B. Strubinger | Assistant Commissioner of Customs. |
| W. R. Johnson | Special Assistant to the Commissioner. |
| Burke H. Flinn | Administrative Officer. |
| Walter G. Roy | Deputy Commissioner of Appraisement Administration. |
| C. A. Emerick | Deputy Commissioner of Investigations. |
| Lawton M. King | Deputy Commissioner of Management and Controls. |
| G. H. Griffith | Chief, Division of Drawbacks, Penalties, and Quotas. |
| W. E. Higman | Chief, Division of Classification, Entry, and Value. |
| J. W. Gulick | Chief, Division of Marine Administration. |
| J. F. Williams | Chief, Division of Technical Services. |

## Bureau of Engraving and Printing

| | |
|---|---|
| Vacancy | Director, Bureau of Engraving and Printing. |
| Henry J. Holtzclaw | Associate Director. |

## Bureau of Accounts (in the Fiscal Service)

| | |
|---|---|
| Robert W. Maxwell | Commissioner of Accounts. |
| Gilbert L. Cake | Associate Commissioner. |
| Harold R. Gearhart | Deputy Commissioner--Central Accounts. |
| Boyd A. Evans | Deputy Commissioner--Accounting Systems. |
| Samuel J. Elson | Deputy Commissioner--Central Reports. |
| Edmund C. Nussear | Deputy Commissioner--Deposits and Investments. |
| Wallace E. Barker, Jr. | Assistant Commissioner for Administration. |
| Julian F. Cannon | Chief Disbursing Officer. |
| Charles O. Bryant | Assistant Chief Disbursing Officer. |
| George Friedman | Technical Assistant to the Commissioner. |
| Stephen P. Gerardi | Executive Assistant to the Commissioner. |

## Bureau of the Public Debt (in the Fiscal Service)

| | |
|---|---|
| Edwin L. Kilby | Commissioner of the Public Debt. |
| Donald M. Merritt | Assistant Commissioner. |
| Ross A. Heffelfinger, Jr. | Deputy Commissioner in Charge, Washington Office. |
| Charles D. Peyton | Deputy Commissioner in Charge, Chicago Office. |

## Office of the Treasurer of the United States (in the Fiscal Service)

| | |
|---|---|
| Ivy Baker Priest | Treasurer of the United States. |
| Edmund Doolan | Deputy and Acting Treasurer. |
| William T. Howell | Assistant Deputy Treasurer. |

## Internal Revenue Service

| | |
|---|---|
| T. Coleman Andrews | Commissioner of Internal Revenue. |
| O. Gordon Delk | Deputy Commissioner. |
| Harrell T. Vance | Assistant Commissioner (Administration). |
| Harry J. Trainor | Assistant Commissioner (Inspection). |
| Paul K. Webster | Assistant Commissioner (Operations). |
| Justin F. Winkle | Assistant Commissioner (Planning). |
| Norman A. Sugarman | Assistant Commissioner (Technical). |
| Leo Speer | Technical Advisor to the Commissioner. |
| Daniel A. Taylor | Chief Counsel. |
| George C. Lea | Director of Practice. |

## Bureau of the Mint

| | |
|---|---|
| William H. Brett | Director of the Mint. |
| Leland Howard | Assistant Director. |

## Bureau of Narcotics

| | |
|---|---|
| Harry J. Anslinger | Commissioner of Narcotics. |
| George W. Cunningham | Deputy Commissioner. |
| Benjamin T. Mitchell | Assistant to the Commissioner. |

## United States Coast Guard

| | |
|---|---|
| Vice Admiral Alfred C. Richmond | Commandant, U. S. Coast Guard. |
| Rear Admiral James A. Hirshfield | Assistant Commandant and Chief of Staff. |
| Captain I. E. Eskridge | Deputy Chief of Staff. |
| Rear Admiral Kenneth K. Cowart | Engineer in Chief. |
| Rear Admiral Halert C. Shepheard | Chief, Office of Merchant Marine Safety. |
| Rear Admiral Henry C. Perkins | Chief, Office of Operations. |
| Rear Admiral William W. Kenner | Chief, Office of Personnel. |
| Captain Charles B. Arrington | Comptroller. |

## United States Savings Bonds Division

| | |
|---|---|
| Earl O. Shreve | National Director. |
| James J. Newman | Assistant to the National Director. |
| Arthur B. Hill | Assistant to the National Director. |

## United States Secret Service

| | |
|---|---|
| U. E. Baughman | Chief, U. S. Secret Service. |
| Carl Dickson | Assistant Chief. |
| Harry E. Neal | Executive Aide to the Chief. |
| George W. Taylor | Administrative Officer. |

## Treasury Management Committee

| | |
|---|---|
| William W. Parsons | Chairman. |
| John K. Carlock | Member. |
| William T. Heffelfinger | Member. |
| Gilbert L. Cake | Member. |
| L. A. Jennings | Member. |
| David B. Strubinger | Member. |
| Harrell T. Vance | Member. |
| Leland Howard | Member. |
| George W. Cunningham | Member. |
| Harold T. Mason | Member. |
| Ross A. Heffelfinger, Jr. | Member. |
| William T. Howell | Member. |
| Rear Admiral James A. Hirshfield, U. S. C. G. | Member. |
| Bill McDonald | Member. |
| Harry E. Neal | Member. |
| Vacancy | Member. |

## Treasury Awards Committee

| | |
|---|---|
| Willard L. Johnson | Chairman. |
| James H. Stover | Vice Chairman. |
| Joseph A. Jordan | Member. |
| Leland Howard | Member. |
| Henry J. Holtzclaw | Member. |
| Captain I. E. Eskridge, U.S.C.G. | Member. |
| John K. Carlock | Member. |
| William T. Heffelfinger | Member. |
| Malachi L. Harney | Member. |
| Harrell T. Vance | Member. |
| Lawton M. King | Member. |

## Wage Board

| | |
|---|---|
| Joseph A. Jordan | Acting Chairman. |
| Willard L. Johnson | Member. |
| William T. Heffelfinger | Member. |

## Interdepartmental Savings Bond Committee

| | |
|---|---|
| Edward F. Bartelt | Chairman. |

## Fair Employment Officer

Maurace E. Roebuck.

## ·ORGANIZATION OF THE DEPARTMENT OF THE TREASURY·

December 10, 1954

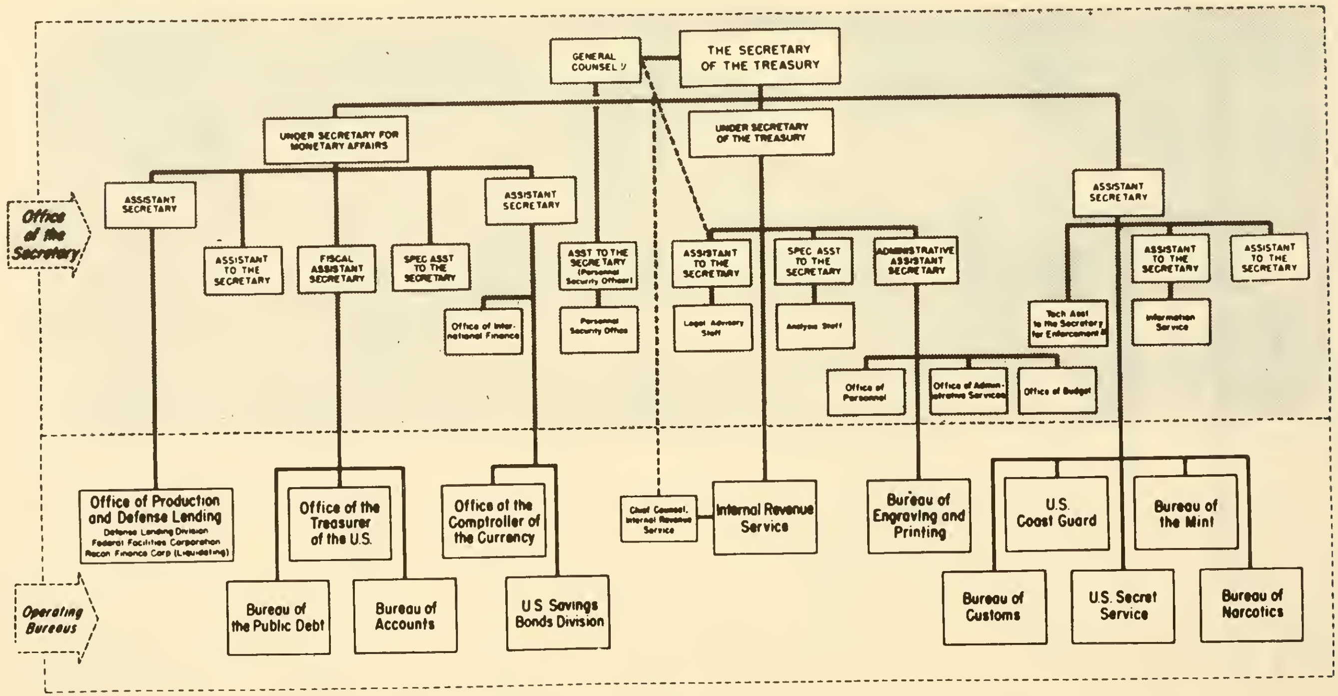


Chart 1.

[1] The General Counsel serves as legal advisor to the Secretary, his associates, and heads of bureaus.

[2] The Technical Assistant for Enforcement coordinates enforcement activities of the U. S. Secret Service, U. S. Coast Guard, Bureau of Customs, Bureau of Narcotics, and Internal Revenue Service.

# ANNUAL REPORT ON THE FINANCES

TREASURY DEPARTMENT,
Washington, D. C., March 14, 1955.

SIRS: I have the honor to report to you on the finances of the Federal Government for the fiscal year ended June 30, 1954.

During that year, and in the two full calendar years that the present administration has been in office, substantial reductions in Government spending have made possible smaller Federal deficits and are bringing nearer our goal of a balanced budget. Major tax reductions and comprehensive tax revisions are removing barriers to economic growth and stimulating individual enterprise. Perhaps less spectacular, but equally important, progress is being made toward getting our huge public debt in better shape, so that its maturities can be handled more easily and the management of the debt will not be a cause of inflation or deflation but will contribute to economic stability and growth.

These fiscal achievements mean a great deal to our people. Tax cuts of $7.4 billion became effective in the fiscal year 1954. The difficult and delicate shift from high Government spending to lower spending has been made without great dislocations in the economy. The purchasing power of the consumer's dollar in January 1955 was practically unchanged from January 1953. A firm base has been laid for better national security, for a healthy and expanding economy, and for more jobs for more people.

A full report on the Treasury's operations during the 1954 fiscal year follows.

G. M. Humphrey,
Secretary of the Treasury.

TO THE PRESIDENT OF THE SENATE.
TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

# REPORT ON FISCAL OPERATIONS

# SUMMARY OF FISCAL OPERATIONS

Budget expenditures of the Government exceeded net budget receipts by $3.1 billion in the fiscal year 1954. This deficit was $6.3 billion less than the deficit in 1953; it was $6.8 billion less than the original forecast for 1954 in the Budget document released January 9, 1953, and $.2 billion less than the revised estimate for 1954 contained in the Budget which went to Congress a year later.

The $3.1 billion budget deficit, together with an increase of $2.1 billion in the Treasury's general fund cash balance, accounted for the increase in the public debt of $5.2 billion during the fiscal year 1954. The general fund cash balance amounted to $6.8 billion on June 30, 1954, compared with $4.7 billion on June 30, 1953. The public debt outstanding on June 30, 1954, amounted to $271.3 billion compared with $266.1 billion at the close of the fiscal year 1953.

Net budget receipts amounted to $64.7 billion in 1954, only $.2 billion less than the previous alltime high in 1953. Budget expenditures in 1954 of $67.8 billion were substantially less than the total of $74.3 billion in 1953, which had been the highest on record aside from several years during World War II.

A reconciliation between budget results and the change in the public debt for the past two years is shown in the following table.

| | 1953 | | 1954 | |
|---|---|---|---|---|
| | In billions of dollars | | | |
| Budget results: | | | | |
| Net receipts | 64.8 | | 64.7 | |
| Expenditures | 74.3 | | 67.8 | |
| Budget deficit | | 9.4 | | 3.1 |
| Increase in general fund balance, or decrease (-) | -2.3 | | 2.1 | |
| Trust account and other transactions, excess of expenditures, or receipts (-)[1] | -.2 | -2.5 | (*) | 2.1 |
| Equals: Increase in public debt | | 7.0 | | 5.2 |

NOTE.--Figures for 1954 are based generally upon the "Monthly Statement of Receipts and Expenditures of the United States Government," inaugurated beginning with the month of February 1954 (see announcement of February 17, 1954, in exhibit 70 and "Bases of Tables"). For purposes of comparison, results for 1953 have been revised to the new basis of reporting, and will disagree, in some cases, with figures contained in last year's annual report.

*Less than $50 million.

[1] Includes net trust account transactions, etc.; net investments of trust accounts and Government agencies in public debt securities; net sales or redemptions of obligations of Government corporations and agencies in the market; changes in clearing and other accounts necessary to reconcile to Treasury cash; and changes in amount of cash held outside the Treasury.

Chart 2 on the following page shows budget receipts, budget expenditures, and the budget surplus or deficit by years for the period 1951 through 1954. Annual figures for 1932-54 and monthly for 1954 are contained in table 1 in the tables section of this report.

As has been the case in recent years, budget receipts in the second half of the fiscal year 1954 were substantially greater than in the first half of the year. This was due in large measure to the acceleration of corporation income taxes provided by the Revenue Act of 1950, frequently referred to as the "Mills Plan." Under this provision corporations paying taxes on a calendar year basis have

gradually increased their tax payments in the half-year following the close of their taxable year to a point where in the fiscal year 1954 they paid 90 percent of their 1953 tax liabilities in the period January-June, 1954. The Revenue Act of 1954 will place corporations closer to a "pay as you earn" system and gradually, over a five-year period, will distribute corporation tax payments more evenly throughout the year.

Budget expenditures were less in the latter half of 1954 as compared with the first half of the year, mainly because of a downturn in outlays for national security. This reversed the trend of the last few years when expenditures were greater in the second half in the years while the defense program was expanding.

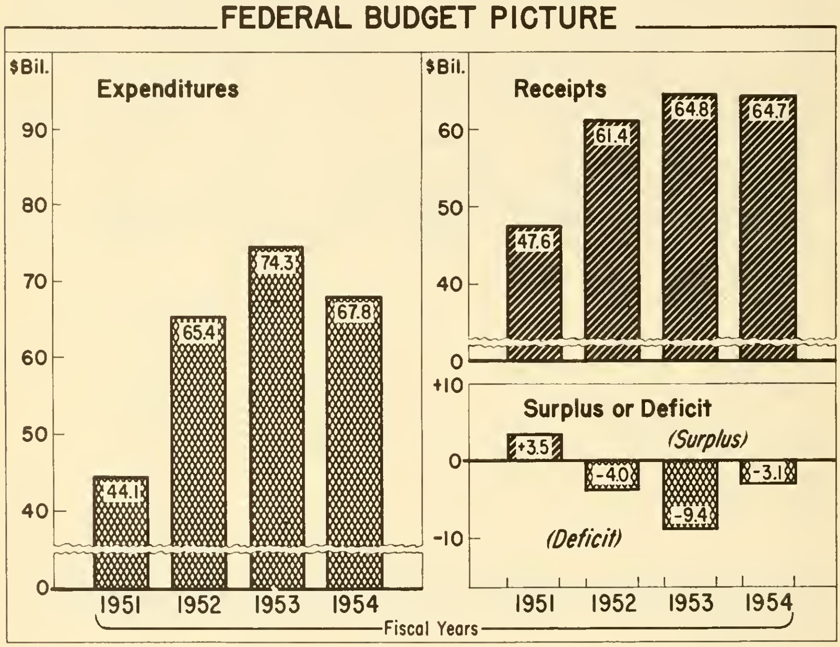


Chart 2.

The following table shows the distribution of net budget receipts, budget expenditures, and budget surplus or deficit, by quarters, half years, and fiscal years for 1953 and 1954, in billions of dollars. Net expenditures for first half of 1953 are converted approximately to new basis of reporting.

| Period | Net budget receipts | Net budget expenditures | Budget surplus, or deficit (-) |
|---|---|---|---|
| Fiscal year 1953: | | | |
| July-September, 1952 | 13.7 | 16.7 | -3.0 |
| October-December, 1952 | 13.2 | 18.5 | -5.3 |
| Total, first half | 26.9 | 35.2 | -8.3 |
| January-March, 1953 | 21.2 | 17.1 | 4.1 |
| April-June, 1953 | 16.7 | 21.9 | -5.2 |
| Total, second half | 37.9 | 39.1 | -1.1 |
| Total, fiscal year 1953 | 64.8 | 74.3 | -9.4 |
| Fiscal year 1954: | | | |
| July-September, 1953 | 13.6 | 17.1 | -3.5 |
| October-December, 1953 | 12.1 | 17.4 | -5.2 |
| Total, first half | 25.8 | 34.5 | -8.7 |
| January-March, 1954 | 21.9 | 15.5 | 6.4 |
| April-June, 1954 | 17.0 | 17.8 | - .8 |
| Total, second half | 38.9 | 33.3 | 5.6 |
| Total, fiscal year 1954 | 64.7 | 67.8 | -3.1 |

## BUDGET RECEIPTS AND EXPENDITURES

### Budget Receipts in 1954

Net budget receipts (total receipts less the appropriations to the Federal old-age and survivors insurance trust fund, and to the railroad retirement account, and refunds of receipts) amounted to $64.7 billion in the fiscal year 1954, slightly less than receipts of $64.8 billion in 1953.

Receipts by major sources in the fiscal years 1953 and 1954 are compared in the following table, dollar amounts in billions.

| Source | 1953 | 1954 | Increase, or decrease (-) | |
|---|---|---|---|---|
| | | | Amount | Percent |
| Individual income tax | [1] 32.8 | 32.4 | - .4 | - 1.2 |
| Corporation income and excess profits taxes | [1] 21.6 | 21.5 | - .1 | - .3 |
| Total income and excess profits taxes | 54.4 | 53.9 | - .5 | - .8 |
| Excise taxes[2] | [1] 9.9 | 10.0 | .1 | .9 |
| Estate and gift taxes | [1] .9 | .9 | .1 | 6.0 |
| Employment taxes | 5.0 | 5.4 | .4 | 8.9 |
| Customs | .6 | .6 | - .1 | - 8.4 |
| Miscellaneous receipts | 1.9 | 2.3 | .4 | 23.9 |
| Total budget receipts | 72.6 | 73.2 | .5 | .7 |
| Deduct: | | | | |
| Appropriation to Federal old-age and survivors insurance trust fund | 4.1 | 4.5 | .5 | 11.0 |
| Appropriation to railroad retirement account | .6 | .6 | (*) | - 2.7 |
| Refunds of receipts | 3.1 | 3.4 | .3 | 8.3 |
| Net budget receipts | 64.8 | 64.7 | - .2 | - .3 |

Note.--Figures in this and two following tables based generally on monthly statement (see exhibit 70 and "Bases of Tables"). *Less than $50 million. [1]Estimated. Actual figures not available on basis of monthly statement. [2]No figures available for internal revenue receipts not otherwise classified in fiscal 1953. For comparison, this category is included in excise taxes in fiscal 1954 in amount of $9 million.

There was no significant change in receipts from any major tax group between 1953 and 1954.

Individual income taxes.--Receipts from the individual income tax amounted to $32,383 million in the fiscal year 1954. This was $386 million, or 1.2 percent, less than receipts in 1953. While the income levels affecting fiscal year 1954 receipts were somewhat higher than those for 1953, this was more than offset by the 10 percent reduction in tax rates effective January 1, 1954.

Corporation income and excess profits taxes.--Receipts from this source were $21,523 million in the fiscal year 1954, $72 million less than receipts in 1953. Although the total differences were relatively small there was considerable variation in the profits underlying collections during these years; profits dropped substantially in the calendar year 1952 from 1951 levels and partially recovered in 1953. The effect of these changes on collections was offset, however, by the continued acceleration of payments under the Revenue Act of 1950.

Excise taxes.--Receipts from taxes comprising the excise tax category are shown in the table which follows.

| Source | 1953 | 1954 | Increase, or decrease (-) | |
|---|---|---|---|---|
| | | | Amount | Percent |
| | In millions of dollars | | | |
| Alcohol taxes | [1] 2,797 | [1] 2,798 | 1 | (*) |
| Tobacco taxes | [1] 1,655 | [1] 1,581 | - 74 | - 4.5 |
| Stamp taxes | 90 | 90 | (*) | - .4 |
| Manufacturers' excise taxes | [2] 2,859 | [2] 2,692 | - 168 | - 5.9 |
| Retailers' excise taxes | 496 | 438 | - 58 | - 11.6 |
| Miscellaneous excise taxes (including repealed) | 2,061 | 1,937 | - 124 | - 6.0 |
| Total excise taxes | 9,958 | 9,536 | - 423 | - 4.2 |
| Adjustment to monthly statement of receipts and expenditures | - 25 | + 488 | + 513 | |
| Total excise taxes[3] | 9,934 | 10,024 | 90 | .9 |

*Less than $500,000, or less than .05 percent.
[1] Includes taxes on manufactured products from Puerto Rico.
[2] Includes taxes on firearms, shells, and cartridges, and on fishing rods and creels.
[3] No figures are available for internal revenue receipts not otherwise classified in the fiscal year 1953. For purposes of comparison, this category, in the amount of $9 million, has been included in excise taxes in the fiscal year 1954.

Excise tax receipts of $10,024 million in the fiscal year 1954 were $90 million or 0.9 percent over 1953. The increase in the consumption of taxable goods and services during this period more than offset losses toward the end of the fiscal year which arose from the rate reductions incorporated in the Excise Tax Reduction Act of 1954 (Public Law 324, approved March 31, 1954). This act extended for one year the higher rates provided in the Revenue Act of 1951, which had been due to return to previous levels on April 1, 1954. Alcohol, tobacco, automotive products, and motor fuels were affected by the extension. However, substantial tax rate reductions were made in many of the other excise taxes; among the more important of these were household appliances, the retailers' excise tax group, admissions, communications, and transportation of persons. These reductions were effective April 1, 1954, but because of the lag in receipts only June receipts were materially affected.

Beginning July 1, 1953, there was a change in the method of payment and of filing tax returns for the taxes included in the manufacturers', retailers', and miscellaneous groups [1] with the result that the amounts shown for these groups, and for the individual taxes in the groups, for the fiscal year 1954 understate cash receipts from these taxes. It will be noted that there is a substantial positive adjustment between the additive total of the 1954 amounts shown by tax groups and the receipts of total excise taxes.

Receipts from alcohol, tobacco, and stamp taxes were not affected by the changed regulations.

Estate and gift taxes.--Estate and gift taxes amounted to $945 million in the fiscal year 1954, an increase of $54 million over receipts of $891 million in the fiscal year 1953.

Employment taxes.--The yield of the various employment taxes is shown in the table which follows.

| Source | 1953 | 1954 | Increase, or decrease (-) | |
|---|---|---|---|---|
| | | | Amount | Percent |
| | In millions of dollars | | | |
| Federal Insurance Contributions Act | 4,086 | 4,537 | 451 | 11.0 |
| Railroad Retirement Tax Act | 620 | 603 | - 17 | - 2.7 |
| Federal Unemployment Tax Act | 277 | 285 | 9 | 3.1 |
| Total employment taxes | 4,983 | 5,425 | 443 | 8.9 |
| Deduct: | | | | |
| Appropriation to Federal old-age and survivors insurance trust fund | 4,086 | 4,537 | 451 | 11.0 |
| Appropriation to railroad retirement account | 620 | 603 | - 17 | - 2.7 |
| Net employment taxes | 277 | 285 | 9 | 3.1 |

Receipts from all employment taxes except the Railroad Retirement Tax Act increased in the fiscal year 1954, reflecting higher levels of taxable wages and in the case of the Federal Insurance Contributions Act the higher rates effective January 1, 1954. Receipts from the Railroad Retirement Tax Act decreased as a result of lower taxable wages.

[1] For taxes shown in the manufacturers', retailers', and miscellaneous groups, tax liabilities for periods prior to July 1, 1953, were paid for each month on the last day of the succeeding month. Monthly tax returns specifying the particular tax being paid were filed with the cash payment. Since that date taxpayers whose monthly excise tax liabilities exceed $100 have been required to make monthly payments at Government depositaries and to file quarterly tax returns with the Internal Revenue Service. At the time of the monthly payment the specific tax is not designated and it is not until quarterly returns have been filed that such designation is made. The monthly cash payment is reported in the "Monthly Statement of Receipts and Expenditures of the United States Government" under "Excise taxes." The tax returns are the basis of the "collections" for specific taxes as reported by the Internal Revenue Service and shown in the preceding table. Since these quarterly tax returns are due on the last day of the month following the end of the quarter, the reports of the Internal Revenue Service for the fiscal year 1954 include only three quarterly returns. The monthly system in effect prior to July 1, 1953, resulted in a lag of about two months' collections from the time of liability to the time of cash receipt and recording of the tax return. For excise taxpayers with liabilities exceeding $100 monthly, the effect of the change in the payment and reporting system in the fiscal year 1954 is that the data for specific taxes reflect liabilities for only eleven months, although cash payments are based on tax liabilities for twelve months.

The tax returns and payments of taxpayers with monthly liabilities of less than $100 are shown on a quarterly basis and the amount of "collections" and receipts for such taxpayers in the fiscal year 1954 are the same and represent about eleven months' liabilities.

Customs.--Customs receipts were $562 million in the fiscal year 1954, a decrease of $51 million from receipts of $613 million in the fiscal year 1953.

Miscellaneous receipts.--Miscellaneous receipts in the fiscal year 1954 amounted to $2,311 million, an increase of $447 million over receipts in the previous year. Most of this increase arose from changes in the accounting for certain foreign currencies acquired by the United States without purchase with dollars. Pursuant to provisions of new legislation (66 Stat. 662 and 67 Stat. 438), after June 30, 1953, executive departments and agencies of the Government, with a few exceptions, were required to reimburse the Treasury in dollars for the foreign currencies they use; whereas previously they generally had been permitted in substantive legislation to use most of such currencies without charge to their dollar appropriations. The reimbursements to the Treasury are credited to miscellaneous receipts. (See also Administrative Reports, Bureau of Accounts, "Control of foreign currencies.")

Refunds of receipts.--Refunds of receipts amounted to $3,377 million in the fiscal year 1954, an increase of $259 million over the refunds of $3,118 million in the fiscal year 1953.

## Estimates of Receipts in 1955 and 1956

The Secretary of the Treasury is required each year to prepare and submit in his annual report to the Congress estimates of the public revenue for the current fiscal year and for the fiscal year next ensuing (act of February 26, 1907 (34 Stat. 949)). The estimates of receipts from taxes and customs for the current and ensuing fiscal years are prepared in December of each year by the Treasury Department. In general, the estimates of miscellaneous receipts are prepared by the agency depositing the receipts in the Treasury. In accordance with the practice of previous years, the following discussion deals only with estimates based on existing legislation. The estimates assume a rise in business activity, personal income, and corporate profits.

Actual budget receipts amounted to $64,655 million in the fiscal year 1954. Estimated receipts in 1955 and 1956 are expected to decline to $58,810 million and $57,737 million, respectively, principally because of the greatly enlarged revenue effect of changes in tax laws. The effect of the across-the-board reduction in individual income tax rates effective January 1, 1954, will be much greater in fiscal years 1955 and 1956 than in the fiscal year 1954. The termination of the excess profits tax on January 1, 1954, which had no appreciable effect in the fiscal year 1954, reduces receipts from this source to a small amount in the fiscal year 1955 and to a negligible amount in 1956. The Excise Tax Reduction Act of 1954, effective April 1, 1954, did not have an appreciable effect on receipts in the fiscal year 1954, but receipts in the fiscal years 1955 and 1956 will reflect the full effect of this legislation. The fiscal year 1955 will be the first year affected by the general revision of the Internal Revenue Code enacted in 1954.

Other factors will reduce receipts in the fiscal year 1956 below fiscal year 1955 levels. Reductions in the corporation income tax and certain excise taxes on April 1, 1955, are scheduled under present law. Receipts from the corporation income tax in fiscal year 1956 will not be augmented by the speedup in payments affecting receipts in the immediately preceding five years under the Revenue Act of 1950.

### Fiscal year 1955

Actual receipts in the fiscal year 1954 and estimated receipts in the fiscal year 1955 are compared by major sources in the following table.

| Source | 1954 actual | 1955 estimate | Increase, or decrease (-) |
|---|---|---|---|
| | In millions of dollars | | |
| Individual income tax | 32,383 | 30,700 | -1,683 |
| Corporation income and excess profits taxes | 21,523 | 18,466 | -3,057 |
| Excise taxes | 10,014 | 8,883 | -1,131 |
| Employment taxes | 5,425 | 6,080 | 655 |
| Estate and gift taxes | 945 | 930 | -15 |
| Customs | 562 | 570 | 8 |
| Internal revenue not otherwise classified | 9 | ........... | -9 |
| Miscellaneous receipts | 2,311 | 2,302 | -9 |
| Total budget receipts | 73,173 | 67,931 | -5,242 |
| Deduct: | | | |
| (a) Transfer to Federal old-age and survivors insurance trust fund | 4,537 | 5,190 | 653 |
| (b) Transfer to railroad retirement account | 603 | 600 | -3 |
| (c) Refunds of receipts | 3,377 | 3,331 | -46 |
| Net budget receipts | 64,655 | 58,810 | -5,845 |

Substantial declines in receipts from the most important revenue sources are estimated in the fiscal year 1955. Employment taxes provide the only substantial increase in receipts in 1955 but this increase does not carry through to net budget receipts since the major portion of employment tax collections is transferred to trust funds.

Individual income tax.--Receipts from the individual income tax are estimated to be $30,700 million in the fiscal year 1955. This is a decrease of $1,683 million from actual receipts in the fiscal year 1954. The effects of the across-the-board reduction in tax rates commencing January 1, 1954, and the general revision of the Internal Revenue Code are much greater than the increase resulting from the rise in incomes affecting receipts in the fiscal year 1955 over the levels underlying 1954 receipts.

Corporation income and excess profits taxes.--A decline is anticipated in corporation tax receipts in the fiscal year 1955. Corporate tax receipts in the fiscal year 1955 will be largely determined by profits in the calendar year 1954, which are estimated to be substantially less than in 1953. The termination of the excess profits tax will have a significant effect on receipts in the fiscal year 1955 and the initial revenue reduction under the corporation provisions of the general revision of the Internal Revenue Code occurs in 1955. The combined effect of these factors is to reduce corporation income and excess profits tax receipts from $21,523 million in the fiscal year 1954 to $18,466 million in 1955.

Excise taxes.--Receipts from this source, by major groups, are listed in the table below.

| Source | 1954 actual | 1955 estimate | Increase, or decrease (-) |
|---|---|---|---|
| | In millions of dollars | | |
| Alcohol taxes | 2,798 | 2,669 | -129 |
| Tobacco taxes | 1,581 | 1,541 | -40 |
| Stamp taxes | 90 | 97 | 7 |
| Manufacturers' excise taxes | 2,692 | 2,765 | 73 |
| Retailers' excise taxes | 438 | 307 | -131 |
| Miscellaneous excise taxes | 1,937 | 1,504 | -433 |
| Unclassified depositary receipts | 479 | .......... | -479 |
| Total excise taxes | 10,014 | 8,883 | -1,131 |

Excise tax receipts in the fiscal year 1955 are estimated to amount to $8,883 million. This is a decrease of $1,131 million from 1954 receipts of $10,014 million. The full-year effect in the fiscal year 1955 of the Excise Tax Reduction Act of 1954 plus the effect of reductions scheduled to take effect April 1, 1955, under present law, are primarily responsible for the decrease in receipts.

The amounts reported in detailed table 7 and in the group totals in the preceding table understate the revenue in the fiscal year 1954 from individual taxes in the manufacturers', retailers', and miscellaneous excise tax groups. Beginning July 1, 1953, the bulk of these taxes has been paid monthly by direct deposits by taxpayers in Federal Reserve Banks and commercial banks designated as Government depositaries. At the time of deposit the taxpayer indicates a liability under the general category of excise taxes. Tax returns showing the specific tax or taxes for which liability has been incurred (and in most cases payment already made) are filed quarterly with directors of internal revenue. These quarterly tax returns are the basis of the amounts reported for specific taxes in the manufacturers', retailers', and miscellaneous excise tax groups. In the first year of operation of this system, the fiscal year 1954, the lag between time of payment and filing of tax returns resulted in an understatement of revenues allocated to specific taxes. The magnitude of this understatement is indicated by the amount designated as unclassified depositary receipts.

Employment taxes.--The yield of the employment taxes is shown in the following table.

| Source | 1954 actual | 1955 estimate | Increase, or decrease (-) |
|---|---|---|---|
| | In millions of dollars | | |
| Federal Insurance Contributions Act | 4,537 | 5,190 | 653 |
| Federal Unemployment Tax Act | 285 | 290 | 5 |
| Railroad Retirement Tax Act | 603 | 600 | -3 |
| Total employment taxes | 5,425 | 6,080 | 655 |
| Deduct: | | | |
| (a) Transfer to Federal old-age and survivors insurance trust fund | 4,537 | 5,190 | 653 |
| (b) Transfer to railroad retirement account | 603 | 600 | -3 |
| Net employment taxes | 285 | 290 | 5 |

Receipts from the Federal Insurance Contributions Act are estimated to amount to $5,190 million in the fiscal year 1955. This is an addition of $653 million to actual receipts in the preceding year. The full year effect of the increase in tax rate from 1-1/2 to 2 percent each on employers and employees, effective January 1, 1954, is mainly responsible. It may be noted, however, that only the Federal Unemployment Tax Act increase carries through to net budget receipts.

Estate and gift taxes.--Receipts from estate and gift taxes are estimated to be $930 million in the fiscal year 1955, a slight decrease from actual receipts in 1954.

Customs.--The estimate of receipts from customs in the fiscal year 1955 is $570 million, slightly above the amount collected in the fiscal year 1954.

Miscellaneous receipts.--No appreciable change from 1954 levels is expected in the fiscal year 1955.

Refunds of receipts.--Refunds of receipts in the fiscal year 1955, estimated at $3,331 million, decrease slightly from actual refunds in the fiscal year 1954.

## Fiscal year 1956

Estimated receipts in the fiscal years 1955 and 1956 are compared by major sources in the following table.

| Source | 1955 estimate | 1956 estimate | Increase, or decrease (-) |
|---|---|---|---|
| | In millions of dollars | | |
| Individual income tax | 30,700 | 32,500 | 1,800 |
| Corporation income and excess profits taxes | 18,466 | 15,984 | -2,482 |
| Excise taxes | 8,883 | 8,328 | -555 |
| Employment taxes | 6,080 | 7,095 | 1,015 |
| Estate and gift taxes | 930 | 970 | 40 |
| Customs | 570 | 570 | ............ |
| Miscellaneous receipts | 2,302 | 2,486 | 184 |
| Total budget receipts | 67,931 | 67,933 | 2 |
| Deduct: | | | |
| (a) Transfer to Federal old-age and survivors insurance trust fund | 5,190 | 6,175 | 985 |
| (b) Transfer to railroad retirement account | 600 | 625 | 25 |
| (c) Refunds of receipts | 3,331 | 3,396 | 65 |
| Net budget receipts | 58,810 | 57,737 | -1,073 |

Net budget receipts in the fiscal year 1956 are estimated to amount to $57,737 million. This is a decrease of $1,073 million from the estimate for the fiscal year 1955. Receipts from the individual income tax are expected to increase but this is more than offset by the large decreases estimated for receipts from the corporation income tax and excise taxes.

Individual income tax.--Receipts from the individual income tax are estimated to be $32,500 million in the fiscal year 1956, $1,800 million more than the amount estimated for the fiscal year 1955, reflecting the expected rise in income levels.

Corporation income and excess profits taxes.--Receipts from corporate income taxation are estimated to amount to $15,984 million in the fiscal year 1956, $2,482 million less than estimated

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receipts in the fiscal year 1955. Receipts in the fiscal year 1956 will be substantially determined by corporate profits in the calendar year 1955; while profits in the calendar year 1955 are expected to increase appreciably over the 1954 level, tax receipts in the fiscal year 1956 will be reduced by the scheduled five percentage-point drop in the corporation normal tax, effective April 1, 1955.

An additional explanatory factor in the projected 1955-56 drop in corporate tax receipts is the termination of the temporary increase in fiscal year receipts resulting from the year-by-year acceleration of corporation installment payments required under the Revenue Act of 1950. This acceleration terminates, for most corporate taxpayers, in the fiscal year 1955. In that year, calendar year corporations will pay their 1954 liabilities in two equal installments, both of which fall in the same fiscal year. Prior to the requirements of the 1950 act, tax liabilities were paid in four installments divided equally between two fiscal years. The effect of the 1950 act, for calendar year corporations, was to move forward in time 10 percent of payments in each of the fiscal years 1951 through 1955.

Acceleration of corporate tax payments is continued by the Internal Revenue Code of 1954. However, in contrast to the 1950 Revenue Act, the acceleration of payments under the 1954 act will not increase fiscal year receipts appreciably since the payments of calendar year corporations which comprise most of the corporate group will continue to be made in the same fiscal year.

Corporations will be required to make payments of estimated taxes during the current tax liability year. These payments of estimated tax will increase gradually beginning in the fiscal year 1956 until corporations are again paying four equal installments. In the fiscal year 1960, calendar year corporations will be required to pay their calendar year 1959 liability in four equal installments--in September and December 1959 and March and June 1960.

Excise taxes.--Receipts from this source by major groups are listed in the following table.

| Source | 1955 estimate | 1956 estimate | Increase, or decrease (-) |
|---|---|---|---|
| | In millions of dollars | | |
| Alcohol taxes | 2,669 | 2,622 | -47 |
| Tobacco taxes | 1,541 | 1,443 | -98 |
| Stamp taxes | 97 | 97 | ............ |
| Manufacturers' excise taxes | 2,765 | 2,300 | -465 |
| Retailers' excise taxes | 307 | 319 | 12 |
| Miscellaneous excise taxes | 1,504 | 1,547 | 43 |
| Total excise taxes | 8,883 | 8,328 | -555 |

Excise taxes as a group reflect an expected increase in the consumption of taxable goods and services. However, decreases in the fiscal year 1956 are estimated for the alcohol, tobacco, and manufacturers' excise categories because of scheduled rate reductions for certain taxes, effective April 1, 1955.

Employment taxes.--The detail of the yields of the employment taxes is shown in the table which follows.

| Source | 1955 estimate | 1956 estimate | Increase, or decrease (-) |
|---|---|---|---|
| | [In millions of dollars] | | |
| Federal Insurance Contributions Act | 5,190 | 6,175 | 985 |
| Federal Unemployment Tax Act | 290 | 295 | 5 |
| Railroad Retirement Tax Act | 600 | 625 | 25 |
| Total employment taxes | 6,080 | 7,095 | 1,015 |
| Deduct: | | | |
| (a) Transfer to Federal old-age and survivors insurance trust fund | 5,190 | 6,175 | 985 |
| (b) Transfer to railroad retirement account | 600 | 625 | 25 |
| Net employment taxes | 290 | 295 | 5 |

The large increase in receipts from the Federal Insurance Contributions Act reflects an increase in coverage and an increase in the maximum amounts subject to tax from $3,600 to $4,200 a year, as well as rising income levels.

Estate and gift taxes.--Receipts from estate and gift taxes are estimated to be $970 million in the fiscal year 1956. This represents a small increase over the amount estimated for the fiscal year 1955.

Customs.--Customs receipts are estimated to be $570 million in the fiscal year 1956, unchanged from fiscal year 1955.

Miscellaneous receipts.--Miscellaneous receipts are estimated to rise slightly to $2,486 million in the fiscal year 1956.

Refunds of receipts.--Refunds of receipts are estimated to amount to $3,396 million in the fiscal year 1956. This is an increase of $65 million above the estimate for the previous year.

## Budget Expenditures in 1954

Budget expenditures in the fiscal year 1954 amounted to $67.8 billion, a reduction of $6.5 billion from the post-World War II peak of $74.3 billion in the fiscal year 1953. Expenditures in the years following World War II, with 1947 through 1950 shown as an average, are given in the following table. Details of these figures, including those for earlier years, are shown in tables 2, 3, and 5 of the tables section of this report.

National security expenditures represented 69 percent of total expenditures in 1954 compared with 68 percent in 1953 and 66 percent in 1952. Aggregate expenditures for the four major categories: National security, international affairs and finance, interest on the public debt, and veterans' services and benefits, accounted for 87 percent of total budget expenditures in 1954, compared with 85 percent in 1953 and 86 percent in 1952. These percentages show that defense and defense-related programs continue to constitute a very major share of the total budget.

Expenditures for national security were $3.8 billion less in 1954 than in 1953. Of this reduction $3.3 billion was accounted for by military activities of the Department of Defense. It was brought about by greater economies in operations, supply, and personnel; the reexamination of military plans and objectives; and further adjustments of new procurement requirements and stock levels based on a reassessment of reserve and equipment needs following

| Fiscal year | National security[1] | International affairs and finance | Interest on the public debt | Veterans' services and benefits | Other | Total[2] |
|---|---|---|---|---|---|---|
| | In billions of dollars | | | | | |
| 1947-50 average | 13.1 | 5.5 | 5.3 | 6.8 | 7.2 | 37.8 |
| 1951 | 21.7 | 3.8 | 5.6 | 5.3 | 7.7 | 44.1 |
| 1952 | 42.9 | 2.8 | 5.9 | 5.0 | 8.9 | 65.4 |
| 1953 | 50.3 | 2.2 | 6.5 | 4.3 | 11.0 | 74.3 |
| 1954 | 46.5 | 1.6 | 6.4 | 4.2 | 9.1 | 67.8 |

NOTE.--As the result of a study under the Joint Accounting Improvement Program by the Treasury Department, Bureau of the Budget, and General Accounting Office, a fundamental change in reporting of budget results became effective during the fiscal year 1954. Previously daily Treasury statements had been the medium for reporting budget transactions. Beginning with the month of February 1954, budget results are reported in the "Monthly Statement of Receipts and Expenditures of the United States Government," on the basis of reports from Government collecting and disbursing officers. Receipts are on a collection basis, i.e., when money is received by collecting officers; expenditures are reported on a uniform basis of checks issued and cash payments made by disbursing officers. Figures shown in the preceding table for the full fiscal year 1954, as well as those for 1953, are on the new reporting basis. Figures for earlier years are based upon daily Treasury statements.

[1] Includes principally military activities of the Defense Department, mutual military program, Atomic Energy Commission, and acquisition of strategic and critical materials under General Services Administration.

[2] Transfers to the railroad retirement account, effective in the fiscal year 1954, are reported as deductions from receipts and not as budget expenditures as had been the previous practice. Figures for earlier years are adjusted for purposes of comparison.

the end of hostilities in Korea in July 1953. There were reductions in expenditures in 1954 compared with 1953 involving nearly all major military functions of the Department of Defense, including military personnel, operation and maintenance, major procurement and production, and military public works. Expenditures for the mutual military program and for acquisition of strategic and critical materials were reduced $.6 billion while Atomic Energy Commission outlays increased $.1 billion.

Expenditures for international affairs and finance, which include economic and technical assistance under the Mutual Security Act, Department of State, and net transactions of the Export-Import Bank, were $.6 billion less in 1954 than in 1953. Of this decrease $.5 billion related to mutual security activities and $.1 billion represented reduced expenditures of the Department of State.

Interest payments on the public debt amounted to $6.4 billion in 1954, a reduction of $.1 billion under 1953, although the outstanding public debt increased $5.2 billion during the year. The reduction in interest expenditures was influenced by an unusual situation in the fiscal year 1953 involving timing of interest payments. This grew out of changes in interest payment provisions between certain maturing securities and the new securities issued in exchange for them. Over $15 billion of certificates of indebtedness, on which nearly a year's interest was paid at maturity in 1953, were refunded into securities on which interest payments for 6 months or more were made in June 1953. Therefore, about 20 months' interest on this portion of the debt was paid in the fiscal year 1953. Except for this, interest payments in 1954 would have been $.1 billion more than in 1953. Generally interest payments for a year lag behind a change in debt during the year, depending upon the types of new securities issued.

Expenditures for veterans' services and benefits under the Veterans' Administration amounted to $4.2 billion in 1954, a decrease

of $.1 billion under 1953. This reduction was more than accounted for by smaller outlays for education and training and other adjustment benefits, although there were minor increases in compensation and pensions and in hospital and medical care. There are now 21 million veterans in our population, five times the number before World War II.

Major details of expenditures other than those discussed in the preceding paragraphs are shown in the following table. These include the running expenses of the Federal Government, expenditures for other domestic programs, and some expenditures closely related to the national security for which figures are not readily separable from the normal operating expenses of various agencies. The 1954 total of $9.1 billion is $1.9 billion less than the total for 1953. This decrease was spread among several categories, but principally involved a net decrease of $1.0 billion in "housing and community development," which resulted from the Federal National Mortgage Association's accelerated program of mortgage sales and repayment of advances by local housing authorities to the Public Housing Administration. Expenditures for "agriculture and agricultural resources" were down by $.3 billion growing out of a net reduction in expenditures of the Commodity Credit Corporation from $1.9 billion in 1953 to $1.5 billion in 1954. This reflected the sale of about $1.1 billion of certificates of interest by Commodity Credit Corporation during the fiscal year 1954 against a nationwide pool of crop loans, which increased the participation by banks in the crop loan program and gave temporary assistance to the Treasury in staying below the statutory debt limitation.

| Fiscal year | Social security, welfare, and health | Housing and community development | Agriculture and agricultural resources | National resources | Transportation and communication | Finance, commerce, and industry | All other | Total |
|---|---|---|---|---|---|---|---|---|
| | In billions of dollars | | | | | | | |
| 1947-50 average.... | 1.2 | (*) | 1.9 | 1.0 | 1.2 | .4 | 1.5 | 7.2 |
| 1951............... | 1.6 | .5 | [1] .5 | 1.4 | 1.5 | .2 | 2.0 | 7.7 |
| 1952............... | 1.7 | .7 | 1.1 | 1.5 | 1.8 | .1 | 2.1 | 8.9 |
| 1953............... | 1.8 | .4 | 3.0 | 1.6 | 1.8 | .1 | 2.3 | 11.0 |
| 1954............... | 1.9 | -.6 | 2.7 | 1.4 | 1.5 | .1 | 2.1 | 9.1 |

NOTE: Expenditures are "net," after allowance for reimbursements to appropriations, receipts of revolving fund appropriations, and receipts credited to disbursing accounts of Government corporations and agencies having authority to use collections without deposit into Treasury receipts. Figures for 1953 and 1954 are on the new reporting basis. See "Note" to preceding table.

*Less than $50 million.
[1] Gives effect to net receipts of Commodity Credit Corporation amounting to $.6 billion.

## Estimates of Expenditures in 1955 and 1956

Actual expenditures for the fiscal year 1954 and estimates for the fiscal years 1955 and 1956 are summarized in the following table. Further details will be found in table 7. The estimates are based upon figures submitted to the Congress in the Budget for 1956.

Actual budget expenditures for the fiscal year 1954 and estimated expenditures for 1955 and 1956

[In millions of dollars. On basis of 1956 Budget document]

| | 1954 actual | 1955 estimates | 1956 estimates |
|---|---|---|---|
| Agriculture Department (including Commodity Credit Corporation) | 5,963 | 7,365 | 6,013 |
| Atomic Energy Commission | 1,895 | 2,050 | 2,000 |
| Civil Service Commission | 50 | 48 | 235 |
| Commerce Department | 1,083 | 1,180 | 1,223 |
| Defense Department: | | | |
| Military functions | 40,336 | 34,375 | 34,000 |
| Civil functions | 708 | 624 | 632 |
| Export-Import Bank of Washington | 534 | 334 | 335 |
| Farm Credit Administration | 1,817 | 1,885 | 1,988 |
| General Services Administration | 808 | 1,174 | 969 |
| Health, Education, and Welfare Department | 1,983 | 2,042 | 2,055 |
| Housing and Home Finance Agency | 1,440 | 1,667 | 1,264 |
| Interior Department | 571 | 594 | 591 |
| Justice Department | 183 | 185 | 202 |
| The Judiciary | 28 | 31 | 33 |
| Labor Department | 357 | 433 | 515 |
| Legislative branch | 59 | 71 | 83 |
| Mutual security: | | | |
| Military assistance and direct forces support | 3,641 | 3,225 | 3,675 |
| Other mutual security programs | 1,241 | 1,075 | 1,025 |
| Post Office Department | 2,686 | 2,741 | 2,541 |
| Railroad Retirement Board | 35 | (*) | .......... |
| Reconstruction Finance Corporation | 496 | .......... | .......... |
| State Department | 156 | 138 | 150 |
| Tennessee Valley Authority | 409 | 431 | 250 |
| Treasury Department: | | | |
| Interest on the public debt | 6,382 | 6,475 | 6,300 |
| Other | 957 | 1,257 | 1,091 |
| Veterans' Administration | 4,316 | 4,497 | 4,705 |
| Reserve for proposed legislation and contingencies | ......... | 100 | 325 |
| All other | 1,017 | 1,207 | 1,132 |
| Total budget expenditures | 79,151 | 75,203 | 73,332 |
| Deduct: | | | |
| Applicable receipts[1] | 11,379 | 11,699 | 10,923 |
| Net budget expenditures | 67,772 | 63,504 | 62,408 |

[1] Receipts of certain Government corporations, the postal service, and other revolving funds the receipts of which come primarily from outside the Government.

## TRUST ACCOUNT AND OTHER TRANSACTIONS

In the "Monthly Statement of Receipts and Expenditures of the United States Government," financial transactions of Federal agencies, other than those affecting budget receipts and expenditures of the Government and those relating to the public debt, are reported in three separate tables; namely:

Table V --Trust Accounts, Etc.;
Table VI --Sales and Redemptions of Obligations of Government Agencies in Market (net);[1] and
Table VII--Investments of Government Agencies in Public Debt Securities (net).[1]

Table V includes transactions in the trust accounts maintained in the Treasury, pursuant to law, for the benefit of individuals or

[1] The figures in this table differ from those published in the daily Treasury statement under the same caption because of differences in the reporting bases. See "Bases of Tables."

classes of individuals. Payments from general fund appropriations to certain trust accounts are included as receipts under the respective trust accounts. The receipts and expenditures of the majority of trust accounts are reported on a gross basis. Transactions in certain trust accounts of a revolving fund or working fund nature are reported net. Also included in this table and reported on a net basis are deposit fund accounts covering deposits with the Treasurer of the United States subject to refund or withdrawal by the depositors, and unidentified receipts of Government agencies held subject to administrative or legal determination as to their final disposition. During the fiscal year 1954, the trust and deposit account transactions resulted in an excess of credits or net receipts in the amount of $2,386 million.

Table VI shows the net sales or redemptions, by face amounts, of securities issued by certain Government corporations and agencies in the market, classified as to securities guaranteed and those not guaranteed by the United States. Except for debentures issued by the Federal Housing Administration, activity in guaranteed obligations is relatively small. During the fiscal year 1954, transactions reported in this table showed net redemptions of $4 million.

Table VII shows the net investments in public debt securities of certain Government agencies and funds, by trust accounts, wholly owned Government corporations and agencies, and Government-sponsored corporations. During the fiscal year 1954, net purchases of securities amounted to $2,054 million.

Monthly data for each of these classifications (tables V, VI, and VII, described in the paragraphs preceding) for the fiscal year 1954 and comparative totals for the fiscal years 1953 and 1954 will be found in table 4. Annual transactions for the fiscal years 1946 through 1954, with net totals of the three major classifications, are shown in table 6.

## GENERAL FUND

The moneys of the United States Government held by the Treasurer of the United States in Federal depositaries or in the Treasury constitute what has commonly been referred to as the "General fund of the Treasury." The money assets held in the general fund of the Treasurer of the United States consist of gold, silver, paper currency, coin, unclassified collection items, and balances in Federal Reserve Banks and other depositary banks. The liabilities of the fund consist of outstanding Treasurer's checks, balances to the credit of the Post Office Department, the Board of Trustees of the Postal Savings System, postmasters' disbursing accounts, etc., and uncollected items, exchanges, etc. The difference between the assets and liabilities constitutes the balance in the general fund. Details of assets and liabilities in the general fund are shown under the caption "Account of the Treasurer of the United States" in the "Daily Statement of the United States Treasury." The balance in the Treasurer's general fund account at the close of the fiscal year 1954 amounted to $6,766 million, an increase of $2,096 million during the fiscal year.

The net change in the balance in the account of the Treasurer of the United States (general fund) during the fiscal year is accounted for as follows:

| | | (In millions of dollars) |
|---|---|---|
| Balance June 30, 1953 | | 4,670 |
| Add: | | |
| Net deposits | [1] 71,815 | |
| Public debt redemptions included as withdrawals | 889 | |
| Net increase in gross public debt | 5,189 | 77,893 |
| Total | | 82,563 |
| Deduct: | | |
| Cash withdrawals | [1] 71,974 | |
| Investments of Government agencies in public debt securities, net | [1] 2,080 | |
| Sales (-) and redemptions of obligations of Government agencies in market, net | [1] 235 | |
| Accrual of discount on saving bonds and Treasury bills | 1,508 | 75,797 |
| Balance June 30, 1954 | | 6,766 |

[1] This figure differs from that originally published in the daily Treasury statement because of reclassification of certain transactions.

A comparative analysis of the assets and liabilities in the accounts of the Treasurer of the United States as of June 30, 1953, and June 30, 1954, is shown in table 50.

The balance in the Treasurer's general fund account as of the end of each month during the fiscal year ranged from a high of $8,741 million on July 31, 1953, to a low of $4,044 million on January 31, 1954.

## PUBLIC DEBT OPERATIONS AND OWNERSHIP OF FEDERAL SECURITIES

The net increase of $5.2 billion in the public debt and guaranteed obligations during the year brought the debt outstanding to a level of $271.3 billion on June 30, 1954. The debt was larger than on any other June 30 in history but was $8.4 billion less than the alltime peak of $279.8 billion reached in February 1946.

The increase during 1954 was accounted for mainly by net increases in the interest-bearing debt of $3.0 billion in public marketable issues, $0.3 billion in nonmarketable issues, and in special issues to Government investment accounts of $1.7 billion. A summary of changes in the debt during the year is contained in

the following table, and the total outstanding from January 1946 through June 30, 1954, is shown in chart 3.

An account of the operations in the public debt and changes in the ownership of Federal securities during the year is given in the pages immediately following. Further detail on the debt and its ownership is given in the exhibits and tables sections of the report.

| Class of debt | June 30, 1953 | June 30, 1954 | Increase, or decrease (-) |
|---|---|---|---|
| | In billions of dollars | | |
| Public debt: | | | |
| Interest-bearing: | | | |
| Public issues: | | | |
| Marketable | 147.3 | 150.4 | 3.0 |
| Nonmarketable | 76.1 | 76.3 | .3 |
| Total public issues | 223.4 | 226.7 | 3.3 |
| Special issues to Government investment accounts | 40.5 | 42.2 | 1.7 |
| Total interest-bearing public debt | 263.9 | 268.9 | 5.0 |
| Matured debt on which interest has ceased | .3 | .4 | .1 |
| Debt bearing no interest | 1.8 | 1.9 | .1 |
| Total public debt | 266.1 | 271.3 | 5.2 |
| Guaranteed obligations not held by Treasury | .1 | .1 | (*) |
| Total public debt and guaranteed obligations | 266.1 | 271.3 | 5.2 |

*Less than $50 million.

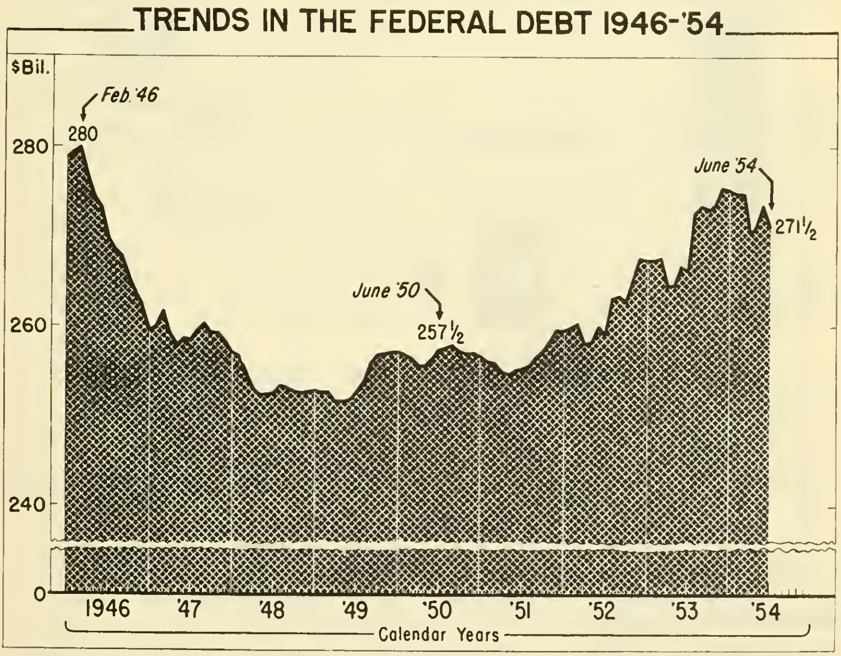


Chart 3.

## Public Debt Operations

The Treasury made "new money" offerings of marketable securities during 1954 of a tax anticipation certificate, a Treasury note, and a Treasury bond. These issues totaled $10.3 billion. In the course of the financings, which aggregated over $65 billion, progress was made during the year toward the administration's objective of lengthening the maturity of the marketable debt. In addition to the offerings for cash of the note and bond, both of which were of intermediate maturities, four of the five major refundings provided holders of the maturing or called securities a choice between a one-year or a longer-term security. By these measures over $18.8 billion of debt was extended for terms ranging from three and one-half to almost eight years. Thus, the down trend of the maturity length of the debt was reversed and the average of the marketable debt was extended from 3.9 to 4.2 years. Of the nonmarketable issues, sales of Series E, together with Series H, savings bonds rose to a new postwar high. The structure of the debt at the close of the fiscal year is shown in chart 4.

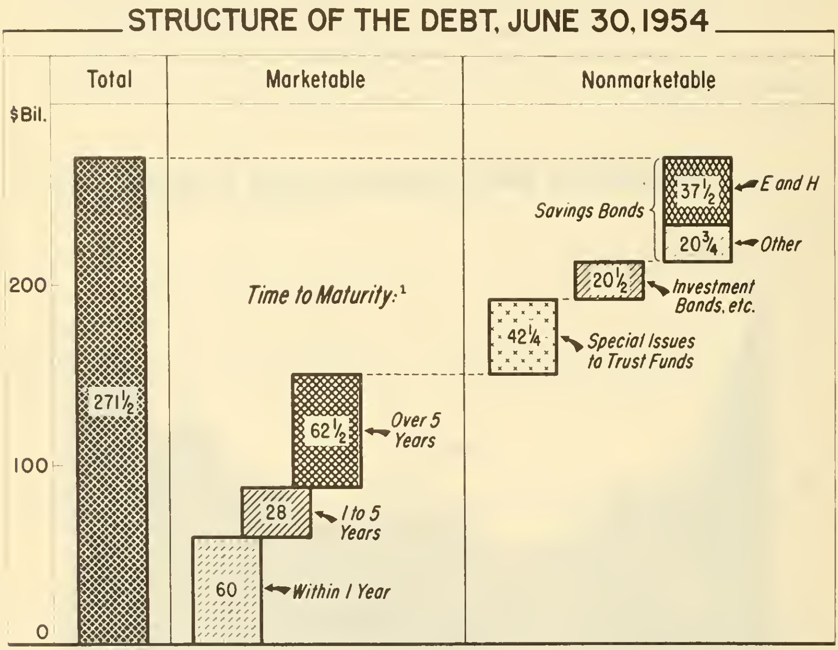


Chart 4.

[1]Callable bonds to earliest call date.

### Marketable issues

The net increase of $3.0 billion in the marketable interest-bearing debt brought the total to $150.4 billion on June 30, 1954,

compared with $147.3 billion on June 30, 1953. The amounts of the security classes of marketable issues outstanding on June 30, 1953 and 1954, with changes during the year, are shown in the following table.

| Class of security | June 30, 1953 | June 30, 1954 | Increase, or decrease (-) |
|---|---|---|---|
| | In billions of dollars | | |
| Treasury bills | [1] 19.7 | 19.5 | -0.2 |
| Certificates of indebtedness | 15.9 | 18.4 | 2.6 |
| Treasury notes | 30.4 | 32.0 | 1.5 |
| Treasury bonds: | | | |
| Bank eligible | 64.0 | 71.7 | 7.7 |
| Bank restricted | 17.2 | 8.7 | -8.6 |
| Other | .1 | .1 | (*) |
| Total interest-bearing marketable securities | 147.3 | 150.4 | 3.0 |

*Less than $50 million.
[1] Includes $0.8 billion tax anticipation series.

Bonds, notes, and certificates of indebtedness.--Marketable securities other than Treasury bills which matured or were called for redemption amounted to $53.0 billion in the fiscal year 1954. Of this amount, $45.4 billion were exchanged for new issues; the remaining $7.6 billion consisted of $5.9 billion of certificates of indebtedness, tax anticipation series, due March 22, 1954, which were received in payment of income and profits taxes or redeemed in cash; $0.5 billion of Treasury notes due December 1, 1953, purchased from the Federal Reserve System and retired; and $1.2 billion of balances of matured and called issues which were presented for cash redemption rather than exchange or which were transferred to matured debt.

On February 9, 1954, two issues of Treasury bonds were called for redemption on June 15, 1954. They were the 2-1/4 percent bonds of 1952-55, dated February 25, 1942, due June 15, 1955, outstanding in the amount of $1.5 billion, and the 2-1/4 percent bonds of 1954-56, dated July 22, 1940, due June 15, 1956, outstanding in the amount of $0.7 billion. The 2-1/4 percent bonds of 1954-56 were partially tax-exempt. Two issues of Treasury bonds which were not called for redemption when they reached their call dates in prior years again went uncalled in fiscal 1954. These were the 2 percent bonds of 1951-55 and the 2 percent bonds of 1952-54 (due December 15, 1954).

Bank restricted bonds, which commercial banks may not acquire for their own account prior to specified dates, decreased from a total of $17.2 billion to $8.7 billion. Two issues of bank restricted bonds, the 2-1/2 percent bonds of 1964-69 (dated September 15, 1943) and the 2-1/2 percent bonds of 1965-70 became bank eligible on September 15, 1953, and February 1, 1954, respectively.

New securities issued for refunding and for "new money" consisted of three issues of bonds, 2-3/4 percent of 7-year, 10-month maturity, 2-1/2 percent of 5-year maturity, and 2-1/2 percent of 7-year, 9-month maturity; three issues of Treasury notes, 2-7/8 percent of 3-1/2-year maturity, 1-7/8 percent of 12-1/2-month maturity, and 1-7/8 percent of 4-year, 9-month maturity; four issues of certificates of indebtedness, two of 2-5/8 percent, one of

1-5/8 percent, and one of 1-1/8 percent, all of one-year maturity. The 7-year, 10-month 2-3/4 percent bond was offered wholly for cash ("new money"); and the 4-year, 9-month 1-7/8 percent note was offered both for cash and in exchange for maturing securities.

The issues of bonds, notes, and certificates which were refunded during the year consisted of four issues of Treasury bonds, two of 2 percent and two of 2-1/4 percent; two issues of Treasury notes, 2-1/8 percent of 14-month maturity and 1-3/8 percent of 4-year, 3-month maturity; and three issues of certificates of indebtedness, bearing 2 percent, 2-1/4 percent, and 2-5/8 percent, all of one-year maturity.

The following tables, which summarize the major financing operations during the fiscal year, show the results of the public offerings of bonds, notes, and certificates of indebtedness.

Public offerings of marketable bonds, notes, and certificates of indebtedness, fiscal year 1954[1]

[In millions of dollars]

| Date of issue | Description of security | Issued for cash | Issued in exchange for other securities | Total issued |
|---|---|---|---|---|
| | Certificates of indebtedness: | | | |
| July 15, 1953.... | 2-1/2%, Series C-1954 (tax anticipation series) due Mar. 22, 1954. | 5,902 | .......... | 5,902 |
| Aug. 15, 1953.... | 2-5/8%, Series D-1954, due Aug. 15, 1954........ | .......... | 2,788 | 2,788 |
| Sept. 15, 1953... | 2-5/8%, Series E-1954, due Sept. 15, 1954....... | .......... | 4,724 | 4,724 |
| Feb. 15, 1954.... | 1-5/8%, Series A-1955, due Feb. 15, 1955........ | .......... | 7,007 | 7,007 |
| May 17, 1954..... | 1-1/8%, Series B-1955, due May 17, 1955......... | .......... | 3,886 | 3,886 |
| | Treasury notes: | | | |
| Apr. 1, 1953..... | 1-1/2%, Series EA-1958, due Apr. 1, 1958[2]....... | .......... | [3] 306 | [3] 306 |
| Oct. 1, 1953..... | 1-1/2%, Series EO-1958, due Oct. 1, 1958[2]....... | .......... | 121 | 121 |
| Apr. 1, 1954..... | 1-1/2%, Series EA-1959, due Apr. 1, 1959[2]....... | .......... | 50 | 50 |
| Sept. 15, 1953... | 2-7/8%, Series A-1957, due Mar. 15, 1957........ | .......... | 2,997 | 2,997 |
| Dec. 1, 1953..... | 1-7/8%, Series B-1954, due Dec. 15, 1954........ | .......... | 8,175 | 8,175 |
| May 17, 1954..... | 1-7/8%, Series A-1959, due Feb. 15, 1959........ | 2,205 | 2,897 | 5,102 |
| | Treasury bonds: | | | |
| Nov. 9, 1953..... | 2-3/4% of 1961, due Sept. 15, 1961.............. | 2,239 | .......... | 2,239 |
| Feb. 15, 1953[4]... | 2-1/2% of 1958, due Dec. 15, 1958 (additional amount of issue dated February 15, 1953). | .......... | 1,748 | 1,748 |
| Feb. 15, 1954.... | 2-1/2% of 1961, due Nov. 15, 1961............... | .......... | 11,177 | 11,177 |
| | Total........................................ | 10,346 | 45,877 | 56,223 |

[1] Exclusive of special series of certificates of indebtedness.
[2] Issued only on demand of owners, in exchange for 2-3/4 percent Treasury Bonds, Investment Series B-1975-80.
[3] Amount issued subsequent to June 30, 1953.
[4] Issued December 1, 1953, additional amount of the issue dated February 15, 1953.

Marketable securities issued by the Treasury in the first half of the fiscal year 1954 amounted to $34.1 billion of the total $56.2 billion issued during the year. In the first quarter of the year the financing operations were characterized by offerings of shorter term securities than in the remainder. This was partly because a portion of the borrowing was for a short period in anticipation of the taxes due March 15, 1954, since tax receipts are substantially heavier in the second half of the fiscal year than in the first half. (See "Summary of Fiscal Operations" at the beginning of this section.) Except for the one note issue all offerings in this quarter were for one year or less.

To provide for the Treasury's cash requirements in this period, the first issue was a tax anticipation certificate offered on July 6,

Disposition of maturing or redeemable public issues of bonds, notes, and certificates of indebtedness, fiscal year 1954[1]

[In millions of dollars]

| Date of refunding or redemption | Description of security | Date of issue | Redeemed for cash or carried to matured debt | Exchanged for new security | Total | Percent exchanged |
|---|---|---|---|---|---|---|
| | Marketable issues | | | | | |
| | Certificates of indebtedness: | | | | | |
| Aug. 15, 1953.. | 2%, Series C-1953, maturing Aug. 15, 1953............ | Aug. 15, 1952... | 93 | 2,788 | 2,882 | 96.8 |
| Feb. 15, 1954.. | 2-1/4%, Series A-1954, maturing Feb. 15, 1954...... | Feb. 15, 1953... | 108 | 8,006 | 8,114 | 98.7 |
| Mar. 22, 1954.. | 2-1/2%, Series C-1954 (tax anticipation series), maturing Mar. 22, 1954...... | July 15, 1953... | 5,902 | ....... | 5,902 | ........ |
| June 1, 1954... | 2-5/8%, Series B-1954, maturing June 1, 1954....... | June 1, 1953.... | 175 | 4,683 | 4,858 | 96.4 |
| | Treasury notes: | | | | | |
| Dec. 1, 1953... | 2-1/8%, Series A-1953, maturing Dec. 1, 1953....... | Oct. 1, 1952.... | [2] 618 | 9,923 | [2] 10,542 | 94.1 |
| Feb. 15, 1954 | 1-3/8%, Series A-1954, maturing Mar. 15, 1954...... | Dec. 15, 1949... | 78 | 4,597 | 4,675 | 98.3 |
| | Treasury bonds: | | | | | |
| Sept. 15, 1953. | 2% of 1951-53, maturing Sept. 15, 1953................. | Sept. 15, 1943.. | 266 | 7,721 | 7,986 | 96.7 |
| Feb. 15 and May 17, 1954 | 2% of 1952-54, maturing June 15, 1954................. | June 26, 1944... | 237 | 5,588 | 5,825 | 95.9 |
| Do. | 2-1/4% of 1952-55, called June 15, 1954............ | Feb. 25, 1942... | 51 | 1,450 | 1,501 | 96.6 |
| Do. | 2-1/4% of 1954-56, called June 15, 1954............ | July 22, 1940... | 38 | 642 | 681 | 94.4 |
| | Total, marketable issues.. | ................ | 7,566 | 45,399 | 52,965 | ........ |

[1] Exclusive of special series of certificates of indebtedness, postal savings bonds, and other debt items.
[2] Includes $500 million purchased for cash and retired on Nov. 9, 1953, prior to exchange offering.

1953, for "new money." The initial announcement of July 1 stated that the offering would be for $5.5 to $6.0 billion. These certificates, which were dated July 15, 1953, and bore a maturity date of March 22, 1954, were receivable at par plus accrued interest to maturity in payment of income and profits taxes due on March 15, 1954. Payment was permitted in the form of credit in Treasury tax and loan accounts. The announcement on July 6 detailing the offering stated that commercial banks and other lenders were requested to refrain from making unsecured loans, or loans collateralized in whole or in part by the certificates subscribed for, to cover the deposits which were required to be paid when subscriptions were entered. The securities were designated 2-1/2 percent Treasury certificates of indebtedness, Series C-1954.

Subscriptions received totaled nearly $8.7 billion, of which slightly over $2.0 billion were received from nonbank sources. Subscriptions for more than $100,000 each were allotted 67 percent but not less than $100,000, and smaller subscriptions were allotted in full. The total amount allotted was $5.9 billion.

The next offering was a one-year 2-5/8 percent Treasury certificate of indebtedness, announced by the Secretary of the Treasury on August 3, 1953. Designated Series D-1954, dated August 15, 1953, it was offered on August 5 in exchange for the 2 percent certificates of indebtedness, Series C-1953, maturing August 15, 1953, in the amount of $2,882 million. Exchanges of the maturing certificates amounted to $2,788 million, leaving $93 million for cash redemption.

The first of the three financings which offered a choice of a one-year (or approximately one-year) or a longer-term security was announced on August 28, 1953. Holders of the 2 percent Treasury bonds of 1951-53, maturing September 15, 1953, in the amount of $7,986 million, were offered on September 2, in exchange for their holdings, the choice of one-year 2-5/8 percent Treasury certificates of indebtedness, Series E-1954, or 3-1/2-year 2-7/8 percent Treasury notes, Series A-1957, maturing March 15, 1957. Subscriptions and allotments totaled $4,724 million for the new certificates and $2,997 million for the new notes, a total exchange of $7,721 million, leaving $266 million of the maturing bonds to be paid in cash.

As the next step taken in the fiscal year to lengthen the maturity of the marketable debt by issues of intermediate term, a cash offering was made on October 28, 1953, of 7-year, 10-month 2-3/4 percent Treasury bonds. The bonds were dated November 9, 1953, to mature September 15, 1961, and were designated 2-3/4 percent bonds of 1961. The offering, announced on October 26, was for $2.0 billion, or thereabouts.

Subscriptions amounted to over $12.5 billion and allotments were approximately $2.2 billion. Subscriptions in amounts up to and including $10,000, totaling about $22-1/2 million, were allotted in full. Larger subscriptions from mutual savings banks, insurance companies, pension and retirement funds, State and local governments, aggregating about $1.7 billion, were allotted 24 percent, and larger subscriptions from all others, including $8.1 billion from commercial banks, were allotted 16 percent, but not less than $10,000 for any one subscription on either of these two percentage bases. Commercial banks and other lenders were requested to refrain from making unsecured loans, or loans collateralized in whole or in part by the bonds subscribed for, to cover the 10 percent deposits required to be paid when subscriptions were entered; and a certification that no such loan had been made was required on each subscription entered by a commercial bank for account of its customers.

In connection with the issuance of these bonds, the Secretary of the Treasury announced on November 9, 1953, that the Treasury had purchased on that day from the Federal Reserve System and retired $500 million of 2-1/8 percent Treasury notes of Series A-1953, maturing December 1, 1953. This was done to reduce the outstanding debt so that the issuance of $2.2 billion of the new Treasury bonds would not result in increasing the oustanding public debt and guaranteed obligations held outside the Treasury to a figure above the statutory limitation. Payment was made in effect by the use of gold which was part of the Treasury general fund balance. The use of gold in this way to retire Government securities held by the Federal Reserve System has no effect on bank reserves and therefore was neither inflationary nor deflationary. Payment for the securities was made from Treasury balances in the Federal Reserve Banks, and these balances were then restored by the deposit of gold certificates issued against the gold which was then transferred from the general fund to the gold certificate fund.

The next financing, announced on November 16, 1953, was the second offering giving a choice of a short-term or intermediate-

term security. It consisted of a refunding offering on November 18 of two securities in exchange for the 2-1/8 percent Treasury notes of Series A-1953, maturing December 1, 1953, in the amount of $10 billion. Holders of the maturing notes were offered a choice of exchanging them for 1-7/8 percent Treasury notes of Series B-1954, dated December 1, 1953, and maturing December 15, 1954, or for 2-1/2 percent Treasury bonds of 1958, an additional amount of the issue dated February 15, 1953, with interest from June 15, 1953.

Subscriptions and allotments aggregated over $9.9 billion, or 99 percent of the maturing issue outstanding. The Federal Reserve System held nearly $7.0 billion of the maturing notes, all of which were exchanged for the new notes. Subscriptions from the public amounted to over $2.9 billion, or 96 percent of their holdings, of which 60 percent, or about $1.7 billion, were exchanged for the bonds and $1.2 billion for the new notes. The remainder of the maturing notes, about $118 million, not presented for exchange, were payable in cash.

On January 27, 1954, the Secretary of the Treasury announced the largest refinancing operation of the year, involving five issues outstanding in the amount of $20.8 billion. This was the third offering which gave a choice of an intermediate or short-term security. An offering was made on February 1 of issues of 7-year, 9-month 2-1/2 percent Treasury bonds of 1961 and one-year 1-5/8 percent Treasury certificates of indebtedness of Series A-1955 in exchange for the 2-1/4 percent certificates of indebtedness maturing February 15, 1954, in the amount of $8.1 billion and the 1-3/8 percent Treasury notes maturing March 15, 1954, in the amount of $4.7 billion. In addition, the new bonds were offered to holders of the 2 percent Treasury bonds of 1952-54, maturing June 15, 1954, and holders of the 2-1/4 percent Treasury bonds of 1952-55 and 2-1/4 percent Treasury bonds of 1954-56 which were called on February 9 for redemption on June 15, 1954, outstanding in the total amount of $8.0 billion. Any of the five maturing or called securities, tendered singly or in combinations aggregating $500 or multiples thereof, were eligible to be exchanged for the new bonds. Both the new bonds and the new certificates were dated February 15, 1954.

Subscriptions for these new offerings totaled $18.2 billion, of which $11.2 billion were for the new bonds and $7.0 billion for the new certificates. A total of $8,006 million, or 98.7 percent, of the matured certificates was exchanged, of which $5,647 million, or 70.5 percent, was for the new certificates and $2,360 million, or 29.5 percent, for the new bonds, leaving $108 million to be paid in cash. A total of $4,597 million, or 98.3 percent, of the maturing notes was exchanged, of which $3,237 million, or 70.4 percent, was for the new bonds and $1,360 million, or 29.6 percent, for the new certificates, leaving $78 million to be redeemed for cash. Of the $8,007 million in bonds maturing or called for redemption on June 15, 1954, $5,580 million, or 69.7 percent, was exchanged for the new bonds.

The third cash offering of the year, on May 4, 1954, announced by the Secretary of the Treasury on April 30, was for an issue of $2.0 billion, or thereabouts, of 4-year, 9-month 1-7/8 percent Treasury notes of Series A-1959, dated May 17, 1954, and maturing February 15, 1959.

Subscriptions totaled $9,750 million and allotments $2,205 million. Subscriptions in amounts up to and including $10,000, totaling about $68 million, were allotted in full. Larger subscriptions were allotted 22 percent on an equal percentage basis, regardless of investment class, but not less than $10,000 for any one subscription. Cash subscriptions for the notes could be paid for by credit in Treasury tax and loan accounts. Commercial banks, which for this purpose are defined as banks accepting demand deposits, were permitted to subscribe for their own account without deposit, but were restricted in each case to an amount not exceeding one-half the combined capital, surplus, and undivided profits of the subscribing bank as of December 31, 1953. As in the case of previous cash offerings, the Treasury again requested commercial banks and other lenders not to make unsecured loans, or loans collateralized in whole or in part by the notes subscribed for, to cover the deposits required to be paid when the subscriptions were entered; and required a certification by the submitting bank that no such loan had been made. For this offering, there was also required a further certification that the bank had no beneficial interest in its customers' subscriptions, and that no customers had any beneficial interest in the bank's own subscription.

The fourth dual choice refunding was the offering on May 5, also in accordance with the announcement on April 30, of a new issue of one-year 1-1/8 percent Treasury certificates of indebtedness of Series B-1955, dated May 17, 1954, in exchange for the 2-5/8 percent certificates of indebtedness, Series B-1954, maturing June 1, 1954, in the amount of $4,858 million, and in exchange for the three Treasury bond issues to mature or which had been called for redemption on June 15, 1954, and of which $2,427 million had not been presented for exchange in the February refunding. The maturing certificates could be exchanged either for the new certificates or for the new 1-7/8 percent notes, Series A-1959, which had been offered for cash on May 4.

Subscriptions to the new certificates totaled $3,886 million, of which $1,786 million consisted of exchanges of the maturing certificates and $2,100 million of the maturing and called bonds. Exchanges of maturing certificates for the notes were $2,897 million, which, together with the $1,786 million exchanged for the new certificates, made a total of $4,683 million, or 96.4 percent, exchanged. This left $175 million of the maturing certificates and $327 million of the matured and called bonds to be redeemed for cash.

Treasury 91-day bills.--Offerings of regular Treasury bills were made in each week of the fiscal year; 50 of the year's issues were for maturity in 91 days, one was for 90 days and one was for 92 days. Four weekly issues of the year exceeded maturities by a total of $600 million. The issue of July 2 exceeded the maturity by $300 million, and the issues of July 9, July 16, and September 10 exceeded the maturities by $100 million each. The other weekly issues refunded the maturities in approximately equivalent amounts. The 13 issues of regular Treasury bills outstanding on June 30, 1954, totaled $19,515 million, compared with $18,906 million a year earlier.

The average rates of discount on new issues ranged from a high of 2.157 percent in July to 1.953 percent in mid-September, then declined rapidly to a low of 1.220 percent at the end of October. The rate then rose again, reaching 1.704 percent on December 24, 1953; and the following week commenced a rapid decline to a low of 0.893 percent on February 11, 1954. During the remainder of the year the rate fluctuated between a high of 1.066 percent on April 15 and a low of 0.616 percent on June 10, the lowest rate since July 10, 1947. The weekly average rates on new bill offerings throughout the year are shown in exhibit 16.

Noncompetitive bids of $200,000 or less from any one bidder on an issue were accepted in full at the average price of the accepted competitive bids of that issue. These bids averaged a total of $230 million a week; and, in the aggregate, represented 15.3 percent of all the bids accepted during the year.

Treasury bills, Tax Anticipation Series.--The sale of these bills was continued during the fiscal year 1954 as needed to increase the amount of Treasury receipts to meet anticipated requirements for cash when tax collections were seasonally low, and also to provide an investment medium for funds accumulated by corporations to pay income and profits taxes. There were two issues of tax anticipation bills, totaling $2.5 billion, in 1954, compared with three issues, totaling $5.3 billion, in 1953. The 1954 issues were as follows:

| Issue date | Maturity date | Days to maturity | Amount of tenders accepted (in billions) | Average rate of discount (percent) |
|---|---|---|---|---|
| Mar. 22, 1954 | June 24, 1954 | 94 | $1.5 | 0.956 |
| Apr. 27, 1954 | June 18, 1954 | 52 | 1.0 | 0.726 |

Both issues were acceptable at par value in payment of income and profits taxes due on June 15, 1954. To the extent the bills were not presented in payment of taxes, the face amount was payable without interest at maturity.

Credit in Treasury tax and loan accounts could not be given to depositaries on subscriptions to the March bills, as was the case in like offerings in 1953, because the proceeds of this offering were used to pay off tax certificates maturing on March 22. The bills of the April offering, however, could be paid for by credit in the Treasury tax and loan accounts.

Additional information on these issues is contained in exhibits 14 and 15.

## Nonmarketable issues

Nonmarketable securities issued to the public during the fiscal year 1954 totaled $9.3 billion and redemptions, $9.0 billion. The net rise of $0.3 billion in the nonmarketable interest-bearing securities outstanding resulted from increases of $0.6 billion in Treasury savings notes and $0.2 billion in United States savings bonds outstanding offset by the redemption of nearly $0.5 billion of Treasury bonds, investment series, 2-3/4 percent, Series B-1975-80, which were exchanged for marketable 5-year, 1-1/2 percent Treasury

notes. The amounts of the nonmarketable interest-bearing classes of securities outstanding at the end of June 30, 1953 and 1954, with the changes during the year, are shown in the following table.

| Class of security | June 30, 1953 | June 30, 1954 | Increase, or decrease (-) |
|---|---|---|---|
| | In billions of dollars | | |
| United States savings bonds: | | | |
| Series E | 35.7 | 36.5 | 0.8 |
| Series F and G | 21.2 | 19.2 | -2.1 |
| Series H | .4 | 1.0 | 0.6 |
| Series J and K | .6 | 1.4 | 0.8 |
| Subtotal, savings bonds | 57.9 | 58.1 | 0.2 |
| Treasury savings notes | 4.5 | 5.1 | 0.6 |
| Treasury bonds, investment series | 13.3 | 12.8 | -0.5 |
| Depositary bonds | .4 | .4 | (*) |
| Total, interest-bearing nonmarketable issues | 76.1 | 76.3 | 0.3 |

*Less than $50 million.

Sales and redemptions of public nonmarketable issues other than depositary bonds are summarized in the accompanying table. In addition to cash redemptions, exchange offers were available as follows: Maturing Series E bonds may be exchanged for Series K, and Series F and G bonds which matured from May 1 through December 31, 1953, might be exchanged for 3-1/4 percent Treasury bonds of 1978-83.

| Class of security | Total issues[1] | Redeemed for cash or carried to matured debt[2] | Exchanged for new security | Total dispositions[2] |
|---|---|---|---|---|
| | In millions of dollars | | | |
| United States savings bonds: | | | | |
| Series A-D | .......... | 18 | .......... | 18 |
| Series E | [3] 5,114 | 4,318 | 1 | 4,319 |
| Series H | 665 | 26 | .......... | 26 |
| Series F and G | [2 4] 121 | 2,120 | 1 | 2,121 |
| Series J and K | [3 4] 827 | 31 | .......... | 31 |
| Subtotal, savings bonds | [3] 6,727 | 6,513 | 2 | 6,515 |
| Treasury savings notes | 2,591 | [5] 1,963 | .......... | [5] 1,963 |
| Treasury bonds, investment series | .......... | 35 | 478 | 513 |
| Total | 9,317 | 8,511 | 480 | 8,991 |

[1] Exclusive of depositary bonds; special notes of the United States: International Monetary Fund series; and United States savings stamps. [2] Exclusive of armed forces leave bonds; depositary bonds; excess profits tax refund bonds; special notes of the United States: International Monetary Fund series; and United States savings stamps. [3] Includes accruals. [4] The combined total includes approximately one million dollars of bonds issued in exchange for other securities. [5] Includes tax and savings notes in the amount of $849 million surrendered in payment of taxes.

United States savings bonds.--Receipts from sales of savings bonds of all series during the fiscal year 1954 were $5.5 billion (compared with $4.6 billion for 1953) and accrued discount charged to the interest account and credited to the savings bond principal account amounted to $1.2 billion, making a total of $6.7 billion. Redemptions of savings bonds, including those matured, amounted to $6.5 billion compared with $5.6 billion last year.

Since 1935, when savings bonds were first sold, the amount of all series of savings bonds issued, including accrued discount, has totaled $117.6 billion, while redemptions, including matured bonds, have totaled $59.4 billion. On June 30, 1954, the redemption value of the savings bonds outstanding was $58.2 billion, over 49 percent of the amount issued.

Sales of Series E and H bonds, which together were nearly 85 percent of all savings bonds sold in 1954, totaled $4.7 billion, issue price, an increase of $0.6 billion over sales in 1953 and the largest amount since 1946. Redemptions of Series E and H bonds amounted to $4.3 billion in 1954 compared with $4.0 billion in 1953. The amount outstanding on June 30, 1954, including accrued discount, was $37.5 billion, an increase of $1.4 billion during the year. For the third successive year, owners of approximately 75 percent of the amount of Series E bonds thus far matured have continued to hold their matured bonds under the optional extension plan. See chart 5.

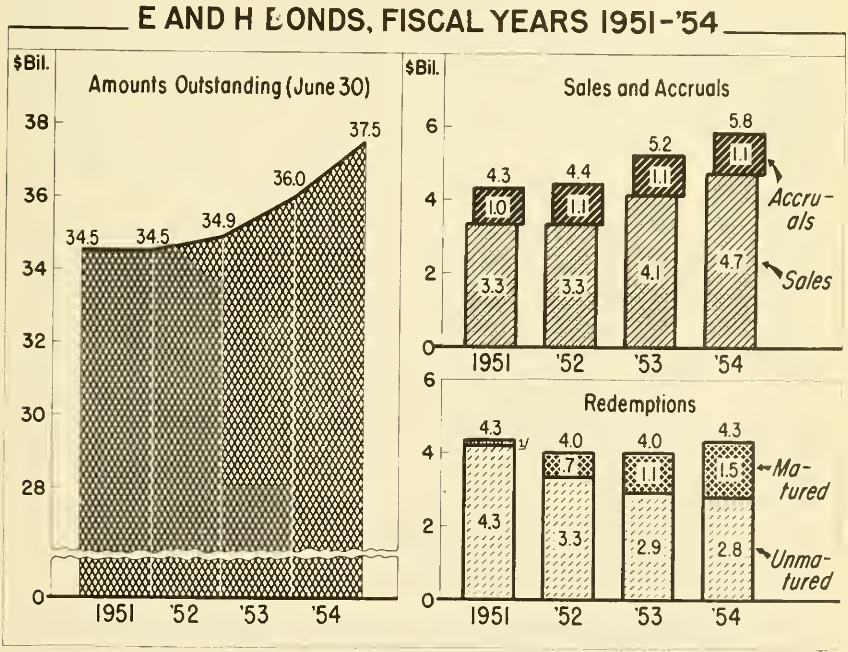


Chart 5.

1 Less than $50 million.

Issues of Series F, G, J, and K bonds combined totaled $841 million[1] issue price, in 1954 compared with issues in 1953 totaling $501 million. Redemptions of Series F, G, J, and K bonds during the year totaled $2,152 million[1] compared with $1,552 million the previous year.

The redemptions of savings bonds as a percentage of the total sold, by yearly series, are summarized below.

Percent of Series E, F, G, H, J, and K savings bonds sold in each year redeemed through each yearly period thereafter[1]

[On basis of Public Debt accounts, see "Bases of Tables"]

| Series and calendar year in which issued | Redeemed by end of— | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | Series E[2] | | | | | | | | | | | | |
| E-1941 | 3 | 6 | 10 | 14 | 18 | 23 | 27 | 30 | 34 | 40 | 62 | 67 | 70 |
| E-1942 | 8 | 15 | 21 | 29 | 35 | 40 | 44 | 48 | 52 | 58 | 68 | 71 | ..... |
| E-1943 | 15 | 24 | 34 | 41 | 47 | 51 | 55 | 58 | 61 | 65 | 71 | .... | ..... |
| E-1944 | 19 | 33 | 41 | 47 | 52 | 56 | 60 | 62 | 64 | 68 | .... | .... | ..... |
| E-1945 | 28 | 38 | 45 | 50 | 54 | 58 | 61 | 63 | 65 | .... | .... | .... | ..... |
| E-1946 | 23 | 34 | 40 | 45 | 51 | 54 | 56 | 58 | .... | .... | .... | .... | ..... |
| E-1947 | 21 | 30 | 37 | 43 | 47 | 50 | 52 | ... | .... | .... | .... | .... | ..... |
| E-1948 | 20 | 30 | 39 | 44 | 47 | 49 | .... | ... | .... | .... | .... | .... | ..... |
| E-1949 | 22 | 34 | 40 | 44 | 47 | .... | .... | ... | .... | .... | .... | .... | ..... |
| E-1950 | 26 | 36 | 41 | 45 | .... | .... | .... | ... | .... | .... | .... | .... | ..... |
| E-1951 | 29 | 38 | 44 | ... | .... | .... | .... | ... | .... | .... | .... | .... | ..... |
| E-1952 | 29 | 39 | .... | ... | .... | .... | .... | ... | .... | .... | .... | .... | ..... |
| E-1953 | 28 | .... | .... | ... | .... | .... | .... | ... | .... | .... | .... | .... | ..... |
| | Series F and G | | | | | | | | | | | | |
| F-1941 and G-1941 | 1 | 3 | 5 | 7 | 10 | 13 | 15 | 18 | 20 | 24 | 27 | 68 | 97 |
| F-1942 and G-1942 | 1 | 4 | 7 | 11 | 14 | 18 | 21 | 24 | 28 | 31 | 34 | 60 | ..... |
| F-1943 and G-1943 | 2 | 6 | 10 | 14 | 19 | 22 | 26 | 29 | 33 | 36 | 39 | .... | ..... |
| F-1944 and G-1944 | 2 | 6 | 10 | 14 | 18 | 21 | 25 | 28 | 31 | 34 | .... | .... | ..... |
| F-1945 and G-1945 | 2 | 7 | 11 | 14 | 18 | 21 | 24 | 27 | 30 | .... | .... | .... | ..... |
| F-1946 and G-1946 | 3 | 7 | 12 | 15 | 20 | 23 | 27 | 30 | .... | .... | .... | .... | ..... |
| F-1947 and G-1947 | 3 | 8 | 12 | 17 | 21 | 24 | 28 | ... | .... | .... | .... | .... | ..... |
| F-1948 and G-1948 | 2 | 5 | 9 | 11 | 13 | 16 | .... | ... | .... | .... | .... | .... | ..... |
| F-1949 and G-1949 | 3 | 9 | 13 | 17 | 20 | .... | .... | ... | .... | .... | .... | .... | ..... |
| F-1950 and G-1950 | 3 | 9 | 11 | 15 | .... | .... | .... | ... | .... | .... | .... | .... | ..... |
| F-1951 and G-1951 | 4 | 9 | 14 | ... | .... | .... | .... | ... | .... | .... | .... | .... | ..... |
| F-1952 and G-1952 | 6 | 12 | .... | ... | .... | .... | .... | ... | .... | .... | .... | .... | .... |
| | Series H | | | | | | | | | | | | |
| H-1952 | 3 | 8 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ..... |
| H-1953 | 3 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ..... |
| | Series J | | | | | | | | | | | | |
| J-1952 | 2 | 6 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ..... |
| J-1953 | 2 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ..... |
| | Series K | | | | | | | | | | | | |
| K-1952 | 2 | 6 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ..... |
| K-1953 | 3 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ..... |

NOTE.—The percentages shown in this table are proportions of the value of the bonds sold in any calendar year which are redeemed before July 1 of the next calendar year, and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value.

[1] Percentages by denominations may be found in table 36.
[2] Similar detail for Series A through E savings bonds may be found in the 1952 annual report, p. 77.

[1] Issues and redemptions erroneously included $16,669,888.50 on account of reissue transactions during June 1954. This had no bearing upon total series F, G, J, and K outstanding June 30, 1954. The error was adjusted in the July 1954 issue as reported in the daily Treasury statement.

Detailed information on savings bonds from March 1935, when this security was first offered, through June 30, 1954, is given in tables 34 through 39.

Treasury savings notes.--Two official actions with respect to savings notes particularly affected their sale during the year. A new series, with a lower return, was placed on sale on October 1, 1953, and on October 23 the sale of savings notes was suspended and not resumed. Sales in the fiscal year 1954, all of which were made from July 1 through October 23, 1953, amounted to $2.6 billion, face amount, compared with $4.2 billion in the twelve months of fiscal 1953. Redemptions in fiscal 1954 totaled somewhat less than $2.0 billion, compared with $6.4 billion in 1953. Of the 1954 redemptions, $849 million was applied to payment of taxes and $1.1 billion was redeemed for cash.

The new series of Treasury savings notes, Series C, with interest rates revised downward to reflect changes in the Government securities market, was announced by the Secretary of the Treasury on September 25, 1953. On that date the sale of Series B notes, which had been offered since May 15, 1953, was terminated. The Series C notes were similar to the discontinued Series B notes, except for the scale of interest accrual. Interest rates on the new notes ranged from approximately 1.56 percent per annum if held for six months to 2.21 percent per annum if held for the full two years to maturity, as compared with rates on the old notes which ranged from 2.16 percent for the first six months to 2.47 percent if held to maturity. A table showing the tax-payment or redemption values and investment yields is contained in the official circular which gave the terms of the offering. In addition, the offering circular carried the new provision that the Secretary of the Treasury might, at any time, terminate the issuance of these notes and might at any time, or from time to time, authorize the issuance of additional notes of this series with such other interest accruals as he may prescribe. (See exhibit 20.)

When the suspension of sale of Treasury savings notes, Series C, was announced on October 23, it was stated that the suspension was due to two related causes: First, the determination of the amount of Treasury financing in the next week would be difficult in view of the uncertainties of future daily sales of Treasury savings notes under the conditions then current; and second, on the basis of the current sales, the continuous sale of savings notes could create a problem in connection with the debt limit.

Sales, redemptions, and amounts outstanding of Treasury savings notes of all series from August 1941 through June 30, 1954, are shown in table 40.

Special short-term certificates of indebtedness

On two occasions during the year special short-term certificates of indebtedness were sold directly to the Federal Reserve Banks. The purpose of this direct borrowing authority, provided by statute, is to help minimize the disturbing effects on the money market and bank reserves of short-run peaks in Treasury cash receipts and disbursements, particularly around the time of quarterly income tax payments. This authority was used in January and March in anticipation of the receipt of quarterly tax payments. Sales of certificates aggregated $614 million. The certificates were redeemed from one to eleven days after their issue date. Interest was paid on the certificates at the rate of 1/4 of 1 percent per annum.

Special issues to Government investment accounts

Special series of interest-bearing securities are issued by the Treasury for the investment of trust and other funds deposited in the Treasury or pursuant to appropriations for specific purposes. The amount of such obligations increased by $1.7 billion during the year. The most significant increases were credited to the Federal old-age and survivors insurance fund, the civil service retirement fund, and the railroad retirement account. (See table 29.)

Interest on the public debt

Interest paid on the debt during the year totaled $6,371 million compared with $6,504 million[1] in 1953. The net decrease was due largely to unusual circumstances involving the timing of certain payments, as was explained earlier under "Budget Expenditures." The average annual interest rate as computed on the total interest-bearing public issues outstanding June 30, 1954, was 2.281 percent per annum, and 2.342 percent per annum for the total interest-bearing debt, compared with 2.381 percent and 2.438 percent per annum, respectively, on June 30, 1953.

Sinking fund

Credits accruing to the cumulative sinking fund in 1954 amounted to $620 million which, added to the unexpended balance of $9,057 million brought forward from the previous year, made available $9,677 million. This unexpended balance was carried forward to the fiscal year 1955. Tables 32 and 33 show the transactions on account of this fund since it was established on July 1, 1920.

Statutory limitation

Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall

[1] Adjusted to exclude $4,746,266 on account of interest fund on uninvested trust funds.

not exceed in the aggregate $275 billion[1] (act of June 26, 1946; U.S.C. title 31, sec. 757b) outstanding at any one time. For this purpose, the current redemption value of any obligation issued on a discount basis which is redeemable prior to maturity at the option of the holder shall be considered as its face amount. As of June 30, 1954, the unused borrowing authorization was $4.2 billion. The face amount of obligations outstanding and the face amount which still could be issued under this limitation as of June 30, 1954, is shown in table 14, and for earlier years in table 15.

## Ownership of Federal Securities

At the close of the fiscal year 1954, private nonbank investors held $133.3 billion, or 49 percent, of the total debt outstanding. "Private nonbank investors" includes individuals, insurance companies, nonfinancial corporations and associations, pension funds, foreign accounts, and State and local governments. The banking system, that is, commercial banks and the Federal Reserve Banks, held $88.7 billion, or 33 percent, of the debt. The remainder of the debt, $49.3 billion, or 18 percent, was held in the Government's own investment accounts--social security funds, retirement funds, etc.

The principal change that took place during the year was that the holdings of private nonbank investors decreased by $1.7 billion, while bank holdings increased by $5.1 billion. This was in sharp contrast to the previous fiscal year when there was a $4.2 billion increase in nonbank ownership of the debt and a small net decline in bank ownership.

The shift to somewhat greater bank ownership of the debt was largely accounted for by the fact that the Treasury's new security offerings during 1954 were primarily designed to appeal to commercial banks. This was done to avoid any tightening effects on the money market at a time when the Federal Reserve System was following a program of active credit ease in order to encourage the private capital expansion needed to assure a high level of economic activity.

The following table presents figures on bank and nonbank ownership, together with pertinent detail on the holdings of Federal securities by the various investor classes. Their holdings as of June 30, 1954, are shown in chart 6.

Individuals were the largest single investor group in the Federal debt ownership structure on June 30, 1954. Their holdings of Federal securities amounted to $64.5 billion, with United States savings bonds accounting for over three-fourths of the total. While there was a $1.3 billion decline in individuals' total holdings of the debt during the fiscal year 1954, their savings bonds investments were increased. Series E and H savings bonds held by individuals rose by $1.4 billion which more than offset a decrease in their holdings of other series of savings bonds. At the end of the year, individuals' holdings of all savings bonds were up by $.3 billion. The net

[1] This amount was increased temporarily by $6 billion beginning on August 28, 1954, and ending on June 30, 1955, by Public Law 686, approved August 28, 1954 (68 Stat. 895).

Ownership of Federal securities, by investor classes, for selected dates, 1941-54[1]

| | June 30, 1941 | Feb. 28, 1946[2] | June 30, 1953 | June 30, 1954 | Change during fiscal year 1954 |
|---|---|---|---|---|---|
| | Amounts in billions of dollars | | | | |
| Estimated ownership by: | | | | | |
| Private nonbank investors: | | | | | |
| Individuals[3] | 11.2 | 64.1 | 65.8 | 64.5 | -1.3 |
| Insurance companies | 7.1 | 24.4 | 16.0 | 15.3 | -.7 |
| Mutual savings banks | 3.4 | 11.1 | 9.5 | 9.1 | -.4 |
| Corporations[4] | 2.0 | 19.9 | 18.9 | 16.8 | -2.1 |
| State and local governments | .6 | 6.7 | 12.0 | 14.3 | +2.3 |
| Miscellaneous investors[5] | .7 | 8.9 | 12.8 | 13.4 | +.6 |
| Total private nonbank investors | 25.0 | 135.1 | 135.0 | 133.3 | -1.7 |
| Federal Government investment accounts | 8.5 | 28.0 | 47.6 | 49.3 | +1.8 |
| Banks: | | | | | |
| Commercial banks | 19.7 | 93.8 | 58.8 | 63.6 | +4.8 |
| Federal Reserve Banks | 2.2 | 22.9 | 24.7 | 25.0 | +.3 |
| Total banks | 21.8 | 116.7 | 83.6 | 88.7 | +5.1 |
| Total gross debt outstanding | 55.3 | 279.8 | 266.1 | 271.3 | +5.2 |
| | Percent of total | | | | |
| Percent owned by: | | | | | |
| Private nonbank investors: | | | | | |
| Individuals | 20 | 23 | 25 | 24 | .......... |
| Other | 26 | 25 | 26 | 25 | .......... |
| Total | 46 | 48 | 51 | 49 | .......... |
| Federal Government investment accounts | 15 | 10 | 18 | 18 | .......... |
| Banks | 39 | 42 | 31 | 33 | .......... |
| Total gross debt outstanding | 100 | 100 | 100 | 100 | .......... |

[1] Gross public debt, and guaranteed obligations of the Federal Government held outside the Treasury.
[2] Peak of debt.
[3] Includes partnerships and personal trust accounts. Nonprofit institutions and corporate pension trust funds are included under "Miscellaneous investors."
[4] Exclusive of banks and insurance companies.
[5] Includes savings and loan associations, nonprofit institutions, corporate pension trust funds, dealers and brokers, and investments of foreign balances and international accounts in this country.

decline in individuals' holdings of Government securities was due to a $1.6 billion decrease in their holdings of marketable securities. Over half of the decline took place in the first half of the fiscal year. Individuals' holdings of Federal securities are still well above the peak of their holdings during World War II financing.

Holdings of Federal securities by insurance companies on June 30, 1954, amounted to $15.3 billion, a decrease of about $.7 billion during the year, marking the resumption of decreases that have been typical of the entire postwar period. Nearly $9-1/2 billions of these Federal securities were in the portfolios of life insurance companies whose investments were still predominantly in long-term securities. The average length of their marketable security holdings to maturity on June 30, 1954, was 9.2 years (callable bonds to first call date). Life insurance companies continued to reduce their holdings during 1954, following the trend which began eight years ago as new investment opportunities appeared in the form of an increased supply of mortgages and corporate securities. There had been some slackening in their rate of reduction in the previous fiscal year, but in 1954 these companies increased their liquidation of Government securities to $.7 billion. The Federal security

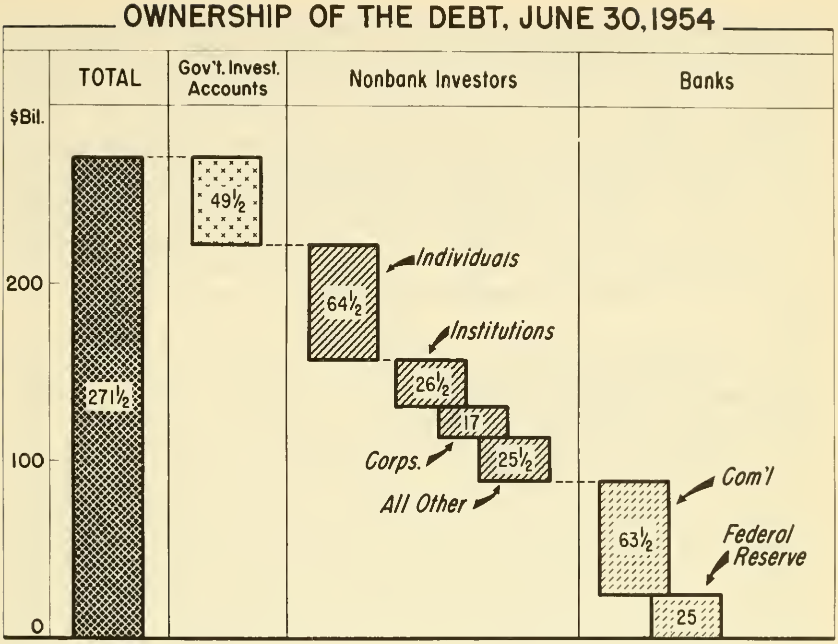


Chart 6.

portfolios of fire, marine, and casualty insurance companies were virtually unchanged in 1954. This contrasts sharply with the increase of one-half billion dollars in 1953.

Mutual savings bank holdings of Federal securities on June 30, 1954, amounted to $9.1 billion. The average length to maturity on their holdings on June 30, 1954, was 8.9 years. Like life insurance companies, mutual savings banks have also been engaged actively in increasing their mortgage and corporate security portfolios since the end of World War II. Again, like the life insurance companies, their expansion of mortgage and corporate security holdings during 1954 was accompanied by a greater liquidation of Federal securities than had been the case in the previous fiscal year. Mutual savings bank holdings declined by $.4 billion in 1954, as compared with a decline of less than $50 million in the preceding year.

Holdings of Federal securities by corporations other than banks and insurance companies declined by over $2 billion during the fiscal year 1954, a decline accounted for in part by a lower level of corporation income tax liabilities in 1954. In addition, the Revenue Act of 1950 provided for an increasing share of corporate income taxes to be paid during the first half of each calendar year. The increasing burden of corporate tax payments in March and June in comparison with the rest of the year has a direct effect on the corporations' Government security portfolios, which are tending more and more to be drawn down during these months and then

built up again during the period from July through February. (See also "Summary of Fiscal Operations" in this section.) Corporation holdings of Federal securities amounted to $16.8 billion on June 30, 1954, about $5.3 billion below the seasonal peak reached in February 1954.

Holdings of Federal securities by State and local governments on June 30, 1954, amounted to $14.3 billion. The growth of $2.3 billion was a record annual increase, even exceeding the increases during World War II, when the postponement of capital outlays resulted in an expansion of reserve funds. About one-third of their Federal security holdings are in State and local pension reserves and the remainder is in sinking funds, operating funds, and various special funds.

Miscellaneous investors held approximately $13.4 billion of Federal securities on June 30, 1954. Corporate pension trusts accounted for about $2-1/2 billion of the total, showing a slight increase during the year. The most important factor in the increase of $.6 billion in the holdings of miscellaneous investors during the year came about as a result of the expanded investment in Federal securities of foreign account balances in the United States. These investment balances, together with securities held by various international organizations, made up nearly $6 billion of the total holdings of miscellaneous investors on June 30, 1954. The remaining investor classes in the miscellaneous category include savings and loan associations, nonprofit institutions, dealers and brokers, and certain smaller institutional groups.

Government investment accounts increased their holdings of Government securities by $1.8 billion during the year, continuing their net growth which has characterized practically every year during the past two decades. On June 30, 1954, Government investment accounts held $49.3 billion of Federal securities or more than one-sixth of the entire debt. Of this total $42.2 billion or approximately 86 percent was in the form of special issues placed only with these accounts. Details of the ownership of securities by these Government investment accounts, the larger of which are the social security, veterans' life insurance, and Government employees' retirement funds, are shown in table 51.

Commercial banks held $63.6 billion of Federal securities at the end of the fiscal year 1954, an increase of $4.8 billion over June 30, 1953. As mentioned at the beginning of this section, the increase is attributable to the fact that the Treasury's new security offerings during 1954 were primarily designed to appeal to commercial banks. Much of this financing, however, was done through the issuance of intermediate-term notes and bonds which permitted the Treasury to extend the debt somewhat and the commercial banks to lengthen out their own portfolios. As a result there were substantial changes in the structure of the commercial bank portfolios of Governments. Marketable issues maturing or callable within one year declined from about one-half of total holdings to around one-third. There was little change in the proportion of marketable maturing in the one- to five-year area, but issues

maturing (or callable) after five years increased from about one-eighth to over one-quarter of the total holdings of Government securities. On balance, the average length of the marketable securities held by commercial banks increased from 2.5 years to 3.6 years in the year ending June 30, 1954. Commercial bank holdings of nonmarketable issues showed little change.

An analysis of the estimated changes in bank versus nonbank ownership of Federal securities during the fiscal year 1954 is shown by type of issue in the following table.

Estimated changes in ownership of Federal securities by type of issue, fiscal year 1954[1]

[In billions of dollars]

| | Total changes | Change accounted for by-- | | | | |
|---|---|---|---|---|---|---|
| | | Private nonbank investors | Government investment accounts | Banks | | |
| | | | | Total | Commercial | Federal Reserve |
| Marketable securities: | | | | | | |
| Treasury bills | -0.2 | -0.6 | -0.1 | 0.5 | -0.3 | 0.9 |
| Certificates of indebtedness | 2.6 | .4 | (*) | 2.1 | .5 | 1.6 |
| Treasury notes | 1.5 | 1.3 | (*) | .2 | 1.0 | -.7 |
| Treasury bonds | -.8 | -3.2 | .1 | 2.3 | 3.7 | -1.4 |
| Total marketable | 3.0 | -2.2 | .1 | 5.2 | 4.9 | .3 |
| Nonmarketable securities, etc.: | | | | | | |
| United States savings bonds | .2 | .2 | (*) | (*) | (*) | ........ |
| Treasury savings notes | .6 | .6 | (*) | (*) | (*) | ........ |
| Special issues to Government investment accounts | 1.7 | ......... | 1.7 | ...... | .......... | ........ |
| Treasury bonds, investment series | -.5 | -.5 | .......... | (*) | (*) | ........ |
| Other | .2 | .2 | .......... | (*) | (*) | ........ |
| Total nonmarketable, etc. | 2.2 | .5 | 1.7 | (*) | (*) | ........ |
| Total change | 5.2 | -1.7 | 1.8 | 5.1 | 4.8 | .3 |

*Less than $50 million.

[1] Gross public debt, and guaranteed obligations of the Federal Government held outside the Treasury.

As discussed in the preceding section on public debt operations, marketable securities as a whole increased by $3.0 billion during the year. Over half of the $4 billion increase in certificates and notes was taken by the banking system. Private nonbank investors as a whole decreased their holdings of marketable bonds by over $3 billion during the year. This is in sharp contrast to an increase in their holdings of bonds by over $3-1/2 billion in the previous fiscal year.

Private nonbank investors, principally corporations, increased their holdings of savings notes by approximately $.6 billion, even though sales of these notes were suspended in October 1953. Meanwhile various nonbank investors exchanged about $1/2 billion of their holdings of 2-3/4 percent nonmarketable investment bonds for five-year marketable notes during the same period. The major changes in savings bonds holdings were described in the preceding discussion of individuals' holdings of Federal securities.

## CORPORATIONS AND CERTAIN OTHER BUSINESS-TYPE ACTIVITIES OF THE GOVERNMENT

Lending and other operations of Government corporations and certain business-type activities are financed from their own receipts, from borrowings from the United States Treasury, by funds obtained from sale of obligations to the public, or by appropriations. The Secretary of the Treasury is authorized by law to purchase obligations of many of the agencies and to establish the terms and conditions of such obligations. In accordance with the Government Corporation Control Act (31 U.S.C. 868), obligations issued to the public by certain agencies must be approved by the Secretary of the Treasury. A few of the agencies are exempt from the provisions of the act with respect to the issuance of their obligations to the public but are required to consult with the Secretary of the Treasury before issuing such obligations.

### Interest on borrowings from the Treasury

Interest rates on borrowings from the Treasury are adjusted by the Treasury to keep them in line with the interest costs to the Treasury on its borrowings. When required by law, the Treasury takes into consideration the average interest rate on outstanding marketable obligations of the United States. Interest rates have been established that also take into account the cost which the Treasury must pay to borrow money in the present market, as reflected by prevailing market yields on United States Government obligations with maturities corresponding to the approximate duration of the loans made by the agencies.

### Advances by the Treasury

During the fiscal year 1954 the Treasury made cash advances of $9,902.7 million[1] to Government corporations and agencies. Repayments and refundings of $8,193.3 million[1], and cancellations of $956.8 million as authorized by law, resulted in net advances by the Treasury of $752.6 million. Table 75 shows details on advances and repayments by each agency and Treasury holdings of obligations.

### Borrowing authority and obligations outstanding

The gross borrowing authority of various agencies was increased during the fiscal year 1954. The Commodity Credit Corporation received the largest increase, $1,750 million. This increase was made in accordance with Public Law 312, 83d Congress, approved March 20, 1954, to help the corporation fulfill its statutory responsibilities under the price support program. Table 72 shows the authorized borrowing power as of June 30, 1954, of Government corporations and certain business-type activities and the amount of obligations actually outstanding. Unused borrowing authority

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[1] Includes noncash exchanges of notes amounting to $90.2 million and transfers of notes amounting to $133.5 million.

of the Government corporations and activities amounted to $18,266.7 million as of June 30, 1954. The unused borrowing authority as of June 30, 1953, was $17,466.6 million.

Assets, liabilities, and capital

Assets of Government corporations and certain business-type activities submitting reports to the United States Treasury as of June 30, 1954, amounted to $55,327.0 million, consisting of $33,623.4 million in loans receivable, $3,368.8 million in commodities, supplies, and materials, $8,076.6 million in land, structures, and equipment, and $10,258.1 million in other assets. Liabilities of the agencies amounted to $20,659.5 million. Total bonds, debentures, and notes payable amounted to $16,156.3 million, of which the Treasury held $12,866.1 million. Accounts payable, trust and deposit liabilities, and all other liabilities totaled $4,503.2 million. The total net investment of the United States Government in these agencies as of June 30, 1954, amounted to $34,181.3 million, which consisted of paid-in capital, earnings, deficits, and expended appropriations. Balance sheets received from these Government corporations and business-type activities of the Government are published quarterly in the "Treasury Bulletin" and show the amount and classification of their assets, liabilities, and capital, together with the capital owned by the United States and that privately owned. An analysis of the investment of the United States is also included. The balance sheets as of June 30, 1954, are shown in table 77 of this report. Table 76 shows a comparative statement of the assets, liabilities, and capital of Government corporations and certain business-type activities as of June 30, 1945-54.

A statement showing income, expense, and changes in unreserved surplus or deficit of the Government corporations and certain business-type activities for the fiscal year 1954 appears in table 78. A statement showing the source and application of funds of these agencies during the fiscal year 1954 is shown in table 79.

Repayments of capital stock

During the fiscal year 1954, Government corporations made capital stock repayments of $42.7 million. Repayments in 1953 amounted to $7.8 million. During 1954 the Federal Savings and Loan Insurance Corporation deposited $8.8 million in miscellaneous receipts of the Treasury, and the Smaller War Plants Corporation (in liquidation by Reconstruction Finance Corporation) deposited $1.2 million. The banks for cooperatives and the production credit corporations, through the Farm Credit Administration, deposited $28.5 million and $4.2 million, respectively, in revolving funds maintained in the Treasury. A statement showing capital stock repayments appears in table 82.

Other payments to the Treasury

Payments of dividends, interest, and similar payments deposited into the Treasury by Government corporations and certain other

business-type activities amounted to $359.6 million during the fiscal year 1954, as compared with $295.9 million during the fiscal year 1953. Detailed information on such payments appears in table 83.

## Outstanding obligations guaranteed by the United States

As of June 30, 1954, outstanding obligations guaranteed by the United States amounted to $81.4 million, of which $80.4 million consisted of unmatured outstanding obligations issued by the Federal Housing Administration and $1.0 million matured obligations issued by the Federal Farm Mortgage Corporation and the Home Owners' Loan Corporation. Funds are on deposit with the Treasurer of the United States for payment of the matured obligations.

The unmatured outstanding guaranteed obligations issued by the Federal Housing Administration are for payment of defaulted and foreclosed insured mortgages. Any obligations this agency issues are guaranteed as to payment of principal and interest by the United States. The authorizations represent the maximum limit of authority to insure mortgages. The authority of this agency to insure loans and mortgages was increased by $1,950 million during the fiscal year 1954, pursuant to legislation and allocations made by the President during the fiscal year under the National Housing Act, as amended (12 U.S.C. 1701-1750g). An itemized list of the changes is shown in the following table.

| Title | Authorization | Increase, or decrease (-) |
|---|---|---|
| | | *In millions* |
| National Housing Act, as amended: | | |
| Title I, Section 8: Insurance of mortgages on single-family dwellings for families of low and moderate income, particularly in suburban and outlying areas where it is not practicable to conform with requirements essential in urban residential areas. | Section 8 of the National Housing Act as amended, and letter of the President dated Aug. 8, 1953. | $150 |
| Title II: Insurance of mortgages on 1- to 4-family structures, and multi-family housing projects. Mortgages may cover new and existing properties, both for rent and for sale, including nonprofit cooperative housing. | Section 217 of the National Housing Act as amended, and letter of the President dated Aug. 8, 1953. | 1,400 |
| Title VI, Sections 603 and 608: Insurance of mortgages on 1- to 4-family homes and on rental projects. These sections were enacted to aid the production, through private enterprise, of housing for defense workers. Authority to insure under these two sections has largely expired. | do | 70 |
| Title VIII: Insurance of mortgages on rental housing built on or near military or atomic energy installations. The need for this housing must be certified to by the Secretary of Defense or the Atomic Energy Commission. | Section 803 of the National Housing Act as amended, and letter of the President dated Aug. 8, 1953. | 300 |
| Title IX: Insurance of national defense housing mortgages. Housing must be within limits of housing needs in defense areas designated by the President. Mortgages are required to be acceptable risks in view of needs for national defense. | Section 217 of the National Housing Act as amended, and letter of the President dated Aug. 8, 1953. | 170 |
| | | 1,950 |

As of June 30, 1954, all mortgage insurance authorizations pursuant to existing legislation as of that date had been allocated to the Federal Housing Administration by the President. Authorizations for all titles unused by the Federal Housing Administration as of that date amounted to $1,560.3 million.

In accordance with Public Law 560, 83d Congress, approved August 2, 1954, the aggregate amount of principal obligations of all mortgages which may be insured and outstanding at any one time under insurance contracts or commitments to insure pursuant to any section or title of the National Housing Act, as amended (12 U.S.C. 1701-1750g), except Section 2, shall not exceed the sum of (a) the outstanding principal balances, as of July 1, 1954, of all insured mortgages (as estimated by the Commissioner of the Federal Housing Administration, based on scheduled amortization payments without taking into account prepayments or delinquencies), (b) the principal amount of all outstanding commitments to insure on that date, and (c) $1,500 million, except that with the approval of the President, such aggregate amount may be increased by not to exceed $500 million. All existing mortgage insurance authorizations or existing limitations with respect to any section or title of the National Housing Act, as amended, except Section 2, shall be consolidated and merged into one general insurance authorization to take the place of all existing authorizations or limitations. Table 72 shows the limit of authority to insure loans and mortgages as of June 30, 1954.

## SECURITIES OWNED BY THE UNITED STATES GOVERNMENT

The United States Government owned securities with a net face value of $23,193.9 million as of June 30, 1954. The securities consisted principally of capital stock, bonds, and notes of Government corporations and certain business-type activities; securities representing loans made to farmers, foreign governments, home owners, railroads, and others; and receipts showing payment of United States subscriptions to the International Monetary Fund and to the International Bank for Reconstruction and Development. A statement of the securities owned at the end of the fiscal year 1954, other than foreign government obligations of World War I and World War II, is shown in table 82, with an explanation of each net increase or decrease during the fiscal year.

## TAXATION DEVELOPMENTS

The fiscal year 1954 was a period of varied and far-reaching changes in the tax laws. Tax reductions of a size unparalleled in any other single year in the country's history became effective and the internal revenue laws were completely revised.

The administration's tax activities were restricted by budgetary circumstances. The large deficits inherited from the preceding administration made it imperative that the budget be brought under control as quickly as possible. This limited the magnitude and timing of tax reductions. The President summarized his policy in his second Budget message in these words: "I am anxious to have taxes reduced as fast as that can be done without building up inflationary deficits. It is the determined purpose of this adminis-

tration to make further reductions in taxes as rapidly as justified by prospective revenues and reductions in expenditures. The objective will be to return to the people, to spend for themselves and in their own way, the largest possible share of the money that the Government has been spending for them."

Budgetary circumstances of necessity also limited the scope of tax reform. The then existing tax structure was known to be retarding economic growth, producing inequities, and affording tax evasion opportunities. It was essential that the tax system be reformed as quickly as possible. In view of the budgetary situation, however, it became necessary to shape tax revision in a way which would result in maximum tax reform with minimum loss of revenue.

During the fiscal year 1954, tax reductions aggregating $7.4 billion became effective. The excess profits tax, originally enacted in 1950 with provision for its elimination on June 30, 1953, and later extended for six months, expired on December 31, 1953. On the same date, individual income tax rates reverted to those which prevailed before the tax increases enacted by the Revenue Act of 1951. The Excise Tax Reduction Act of 1954 reduced a substantial number of excises effective April 1, 1954.

These changes in tax rates between December 31, 1953, and April 1, 1954, reduced the annual revenue yield of the tax system by an estimated $6.0 billion, as follows:

| | Reduction (In billions of dollars) |
|---|---|
| Excess profits tax | 2.0 |
| Individual income tax | 3.0 |
| Excises | 1.0 |
| Total | 6.0 |

In addition, the structural changes effected in the tax system by the revision of the Internal Revenue Code reduced the fiscal year 1955 yield of the income tax on individuals by $0.8 billion, and of the income tax on corporations by $0.6 billion.

The 5 percentage point increase in corporation normal tax enacted by the Revenue Act of 1951 for a three-year period was extended for one year to March 31, 1955, adding $1.2 billion to fiscal year 1955 revenues. Another $1 billion was added by the one-year extension of a number of the 1951 excise tax increases which were to have expired on March 31, 1954.

## Income Tax Rate Reductions

In accordance with the President's recommendation to the Congress on May 20, 1953, individual income tax rates reverted on January 1, 1954, to the level which had prevailed before the 1951 tax increases. The combined first bracket normal and surtax rate was reduced from 22.2 percent to 20 percent; the maximum rate from 92 to 91 percent; the maximum effective rate limitation from 88 to 87 percent.

These rate changes reduced individual income tax rates by about 10 percent up to $32,000 of surtax net income ($64,000 for married couples). For tax brackets above $32,000 the reduction was progressively smaller, declining to around 1 percent on very large incomes. Consistent with these reductions, the withholding rate applicable to wages and salaries in excess of personal exemptions was reduced from 20 to 18 percent. These reductions, the President said, were justified "only because of reductions in proposed expenditures which the present administration has already been able to make and because of additional economies we expect to achieve in the future."

## Excise Rate Reductions and Extensions

The excise tax reductions under the Excise Tax Reduction Act of 1954, aggregate approximately $1 billion per year. A number of manufacturers' excises, including those on cameras, lenses, films, electric light bulbs and tubes, mechanical pencils, pens, and lighters, and some sporting goods items were reduced to 10 percent. The taxes on refrigerators, quick-freeze units, refrigerator or freezing apparatus, and those on electric, gas, and oil appliances were reduced to 5 percent. The taxes imposed on transportation of persons and on communications, together with the retail excise taxes and the taxes on admissions, were also reduced to 10 percent. Under the admissions tax, admissions of 50 cents or less were exempted from taxation, and the exemptions provided to certain nonprofit activities were extended.

In connection with the reduction of the taxes on refrigerators, quick-freeze units, electric, gas and oil appliances, and electric light bulbs and tubes, provision was made for floor stock refunds to distributors holding stocks of these articles on the effective date of the tax reductions.

The 1954 legislation extended for one year a number of the excise rates enacted in 1951 and scheduled to expire on April 1, 1954. The extensions include the taxes on automobiles, trucks, automotive parts and accessories, gasoline, distilled spirits, wines, liqueurs, cordials, fermented malt liquors, and cigarettes. (See exhibit 41.)

## Revision of the Internal Revenue Code

The enactment of the new Internal Revenue Code during the past fiscal year brought to fruition the comprehensive revision of the tax structure outlined by President Eisenhower in his first State of the Union Message on February 2, 1953. "We must develop a system of taxation," the President said, "which will impose the least possible obstacle to the dynamic growth of the country. This includes particularly real opportunity for the growth of small businesses. Many readjustments in existing taxes will be necessary to serve these objectives and also to remove existing inequities. Clarification and simplification in the tax laws as well as the regulations will be undertaken."

This was an undertaking of vast proportions and absorbed the greater part of two years. The Revenue Code is a complex collection of laws accumulated over many years and affects the well-being of every sector of our population.

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Work on the project was begun in the spring of 1953 when the Treasury, acting at the President's direction, joined with the congressional tax committees and their staffs in a comprehensive review of the tax laws. On May 20, 1953, the President informed the Congress that he requested the Secretary of the Treasury to prepare recommendations ". . . to remove existing inequities of our tax structure, simplify the needless complications which have developed over the years in tax laws, and generally secure a better balance of tax revenues."

Tax revision had been long overdue. It had been urged consistently since the closing months of war as the importance of sound taxation for peacetime prosperity gained increasing recognition. Several congressional committees dealt with the subject in the immediate postwar years. Taxpayer organizations, trade associations, professional organizations, and citizens' groups all urged legislation to bring the tax system into better alignment with the requirements of a private enterprise economy.

These efforts produced a vast number of studies and suggestions which accumulated in Treasury and congressional files. To bring this information up to date, the staff of the Joint Committee on Internal Revenue Taxation circulated a detailed questionnaire to groups and taxpayers interested in the revision of the tax laws. Replies were received from thousands of individual taxpayers, businesses, tax practitioners, professional groups, and trade associations. In addition, both the Joint Committee and the Treasury Department received a large number of unsolicited letters from individuals who suggested changes to meet their own tax problems.

To insure systematic and objective consideration of this large body of material, some fifty working groups of Government tax specialists were organized. These groups consisted of tax administrators, attorneys, accountants, and economists from the staffs of the Joint Committee, the Treasury, and the Internal Revenue Service. They were assigned the task of analyzing these materials and organizing them into form readily usable by the congressional tax committees.

While this work was proceeding at the staff level, the Committee on Ways and Means conducted public hearings, which began on June 16 and continued until August 14, 1953. Over 600 witnesses representing every class and segment of tax opinion testified on forty separate tax topics. Their testimony fills almost 3,000 printed pages. The committee was also provided with tax studies undertaken by more than 25 national organizations, including the American Bar Association and the American Institute of Accountants.

In addition, at the direction of the Chairman of the Committee on Ways and Means, advisory groups composed of outside experts were organized to look into the more technical tax areas. This was deemed essential to insure a balanced and objective approach. Leading tax experts throughout the country participated. They examined such technical areas as those relating to taxation of estates and trusts, income from foreign sources, depreciation, double taxation of dividends, pension trusts and profit-sharing plans, and corporate reorganizations.

The deliberations of the Committee on Ways and Means culminated in the bill H. R. 8300, introduced by Chairman Reed on March 9,

1954, and the accompanying report on the bill filed the same day. The bill passed the House of Representatives on March 18 by a vote of 339 to 80 and was introduced in the Senate a week later.

The Senate Finance Committee began public hearings on the legislation on April 7, 1954. In the course of three weeks, it received almost 2,500 printed pages of testimony. It spent most of May and part of June in examining the House bill in the light of the testimony it received and filed its report on June 18. The Senate passed the bill on July 2, 1954, by a vote of 63 to 9. The conferees assigned to consider the differences between the House and Senate versions of the legislation reported their recommendation on July 26 and passage of the final bill by the House and the Senate followed within three days. The new Revenue Code became law with the President's approval on August 16, 1954 (Public Law 591).

## Objectives of the New Code

In his Budget message to the Congress on January 21, 1954, the President summarized the objectives of tax revision as follows:

"Revision of the tax system is needed to make tax burdens fairer for millions of individual taxpayers. It is needed to restore normal incentives for sustained production and economic growth. The country's economy has continued to grow during recent years with artificial support from recurring inflation. This is not a solid foundation for prosperity. We must restore conditions which will permit traditional American initiative and production genius to push on to ever higher standards of living and employment. Among these conditions, a fair tax system with minimum restraints on small and growing businesses is especially important."

The realization of these objectives entailed the first comprehensive revision of the revenue laws effected since long before the turn of the century. These revisions, summarized in some detail in exhibit 42, fall into four categories: those which (1) remove inequities, (2) reduce tax barriers to long-term economic growth and the creation of jobs, (3) reduce tax evasion opportunities, and (4) simplify and clarify the tax laws.

The administration of the Government's finances will be eased by the acceleration of the tax payments of large corporations provided under the new law. (See also "Estimates of Receipts in 1955 and 1956" in this section.) Although the new tax payment schedule applies to less than 5 percent of the corporations, it affects 85 percent of the total corporation tax liability. To the extent that it will materially reduce the excessive concentration of the Federal Government's receipts during the first six months of the calendar year, the Treasury's future debt management problems will be reduced.

### Removal of inequities

A substantial number of the changes made by the 1954 tax revision are designed to make tax burdens fairer for individual taxpayers by removing inequities and tax complications and by eliminating provisions which serve as a trap for the unwary. The changes in the tax treatment of dependents fall into this group.

The new law eliminates the need for parents to be on guard lest a child be disqualified as a dependent because his vacation or part-time earnings exceed $600. It waives the income test where the dependent is the taxpayer's child under the age of 19 or a student. It also put an end to the situation in which widows and widowers, who had to maintain a home for dependent children, were deprived abruptly of the benefits of income splitting because of the death of the other spouse. Under the new law, the tax return of the survivor continues to be treated for a period of two years as though it were the joint return of husband and wife and, therefore, eligible for the full benefits of income splitting.

Widows, widowers, and working wives in low-income families are now permitted to deduct expenses for child care incurred while they are at work. Widows and widowers may deduct amounts paid up to a maximum of $600 a year for the care of children under 12 or for any incapacitated person. In the case of working wives, the deduction is reduced by the amount by which the combined incomes of the husband and wife exceed $4,500.

Taxpayers with heavy medical, dental, or hospital bills may now take a deduction for the excess of such expenses over 3 percent rather than 5 percent of their income, and the maximum deduction allowed is doubled. Restrictions on the deductibility of charitable contributions have also been eased. In addition to the 20 percent of the taxpayer's income allowed under the previous law, an extra 10 percent is allowed for contributions to hospitals, churches, or educational institutions.

Discrepancies between the tax treatment of social security benefits and other forms of retirement income have been reduced. Retired persons receiving income from pensions, annuities, interest, rents, or dividends are now entitled to a 20 percent credit against tax on as much as $1,200 of such income. This will exempt many elderly retired persons of modest means from the income tax. The credit is reduced for the amount of social security benefits and other exempt forms of retirement income in order to prevent duplication of exemptions and equalize the tax treatment of various types of benefits.

Under the old law, taxpayers were denied deductions for the interest included in carrying charges on installment purchases unless the interest element was separately stated. The new law specifically permits the deduction of 6 percent of the unpaid balance as the interest portion of the carrying charges.

The new law makes it clear that premiums paid by employers for health and accident plans are not to be taxed as income of the employee. It also equalizes the tax treatment of sickness and accident benefits financed by the employer whether paid under an insured or a noninsured plan. It exempts reimbursements for medical expenses and for permanent injury from income tax, and exempts sickness benefits paid in lieu of wages up to $100 a week.

The new law eliminates inequities in the treatment of annuities by allowing the purchaser of an annuity a uniform annual exclusion sufficient to permit him to recover his entire capital tax free over the period of his life expectancy.

It gives farmers the option to deduct the costs of soil and water conservation as a current expense up to 25 percent of their gross income. Under the old law, these costs generally had to be capitalized and could be recovered for tax purposes only upon sale of the land.

These measures will afford millions of individual income taxpayers a substantial assistance in unusual hardship cases at a relatively modest revenue cost.

Removal of deterrents to business expansion

A number of provisions in the new law are designed to reduce tax deterrents to the expansion of investment in private business. As business is permitted and encouraged to grow and expand, it creates bigger payrolls, more and better jobs, and larger and more widely distributed incomes. This increases the national income and, incidentally, tax revenues. One of the changes in this group is a new and more realistic treatment of depreciation.

Depreciation.--The provision of the old law relating to depreciation was brief and general. It merely provided "a reasonable allowance for the exhaustion, wear, and tear (including a reasonable allowance for obsolescence) of property used in a trade or business or of property held for the production of income." The specific rules governing allowable deductions and procedures were left to regulations and administrative practice. While various methods of apportioning the cost of the property over its service life were permitted, limitations imposed upon alternate methods resulted in the general use of the straight-line formula. This system, which spreads the cost evenly over the asset's life, is simple, but the deductions which it allows are frequently at odds with reality.

The failure of depreciation for tax purposes to keep pace with true depreciation discouraged plant modernization and economic progress, particularly when the investment was of a long-range character and involved a considerable business risk.

The new code gives taxpayers greater latitude in the selection of methods of depreciation and allows a more rapid depreciation of new assets. They are now permitted to compute depreciation under the declining-balance method at twice the straight-line rate. This conforms more closely to true depreciation since about two-thirds of the cost will be written off during the first half of the asset's life, as compared with only one-half under the straight-line formula. Taxpayers may also use the sum-of-the-years' digits method which in some respects is more liberal than the 200 percent declining-balance formula. Any other consistent method is also allowed as long as it does not produce larger deductions than those allowable under the 200 percent declining-balance formula during the first two-thirds of the service life of the asset.

Acceleration in the speed of the tax-free recovery of investment will facilitate the financing of new investment. Growing firms will recoup their funds more rapidly, and thus be better able to finance their own expansion. In other cases, the credit position of the

business will be strengthened by the increased availability of working capital or by the fact that the tax allowances for capital recovery will correspond more closely with the repayment schedule for business loans.

Double taxation of dividends.--Another new provision of the tax law grants taxpayers some relief from double taxation of corporate dividends. Double taxation is a major injustice, a penalty on equity financing, and a serious obstacle to business expansion.

Risk capital is essential for the development of new enterprises and the growth of old ones. Large sums are needed to create new jobs. Double taxation of dividends makes it difficult to attract the risk capital necessary to create these jobs. It also encourages corporations to finance themselves by bonded indebtedness, because interest can be deducted for tax purposes. In recent years over three-quarters of the outside financing of industry has taken the form of bonded indebtedness. This makes the economy more vulnerable in periods of business unsettlement.

Under the new code each stockholder is permitted to exclude from his gross income up to $50 of dividends and is allowed a credit against tax equal to 4 percent of the dividends in excess of the exclusion. The amount of the credit is limited to 2 percent of the stockholder's total taxable income in 1954 and to 4 percent in later years. This is a step in the direction of reducing double taxation. It gives small taxpayers a proportionately greater incentive to invest in equity securities. It is extremely important for the growth and stability of the Nation that equity funds be more readily available to new and growing businesses and that the ownership of corporate enterprise be spread even more widely among all our citizens.

Research and experimental expenditures.--The old law made no specific provision for the research and experimental expenditures which are so vital to the growth and increasing efficiency of American business. As a practical matter, large businesses with regular research and experimental budgets have been able to deduct most of these expenses currently. However, in the case of many small businesses, unable to afford a regular budget for research, doubt has existed concerning the deductibility of such expenditures. Moreover, when they were capitalized, there was no assurance that they could be amortized over a definite period or that an abandonment loss could be established. The new code gives all taxpayers the option to deduct such expenses currently or to capitalize them and write them off over a period of not less than five years.

Carryback of operating losses.--The new code is fairer and less burdensome to businesses with irregular and fluctuating earnings. The period for the carryback of losses is extended from one to two years, thus providing, in combination with the five-year carryforward, a total span of eight years for absorbing a loss. The additional carryback increases the possibility of immediate relief through tax refunds when business is losing money and needs the relief most. These changes cut down substantially the tax disadvantages of businesses with uneven earnings, which are apt to be the unusually risky enterprises so important to the development of the economy.

Tax on unreasonable accumulation of surplus.--The changes in the tax on the unreasonable accumulation of surplus will also contribute to the expansion of the economy. Under the old law, the application of the tax was uncertain, and its impact, when imposed, extremely harsh. If the Government believed that the retained earnings of a corporation were excessive, the taxpayer was required to demonstrate that this was not the case. The necessary evidence was not always easy to assemble even when the retention served a legitimate business purpose, particularly because the taxpayer had to show that there was an immediate and specific use for the retained earnings. The tax was therefore greatly feared, especially by small business and tended to impede and distort investment programs.

The continuance of this tax is necessary in order to prevent the use of the corporation for avoiding the surtax on individual shareholders. However, instead of having to show an immediate and specific need for the retained earnings, the new code will require the taxpayer to show only that the retained earnings are necessary to meet "reasonably anticipated" business requirements. An accumulation of $60,000 can be made without threat of penalty; and the tax, when imposed, will apply only to the portion of the retained earnings found to be unreasonable.

The revision of the tax on the unreasonable accumulation of surplus is of particular importance to small business. Small business will also benefit greatly from the new tax treatment of depreciation, the partial relief from the double taxation of dividends, the clarification of the treatment of research and experimental expenses, and the extension of the carryback of net operating losses, as well as the new option which is now granted certain unincorporated enterprises to be taxed as corporations.

Removal of tax evasion opportunities

A number of the new revenue provisions close tax evasion opportunities which enabled some taxpayers to avoid their share of the tax burden by taking advantage of technicalities. In addition to increasing the revenues, they make the tax system fairer and eliminate economic distortion which has been due to arrangements adopted merely for purposes of tax avoidance.

Taxpayers, for example, were able to use a device commonly known as the "preferred stock bail-out" to siphon off large accumulated earnings from a corporation at capital gains rates. This was done by having the corporation issue to common stockholders a nontaxable dividend of preferred stock which was later redeemed. The revised code taxes as ordinary income the proceeds of the sale or redemption of preferred stock acquired in such transactions.

The new law also curbs the trafficking in net operating loss carryovers. Under the old law, it was frequently possible for a successful business to reduce its tax liability by purchasing a corporation which had lost money. The new law eliminates the carryover when more than 50 percent of the stock of the loss corporation is purchased by new owners within a two-year period and the loss corporation thereafter does not continue in the same business.

The new law makes more rigorous the old provisions designed to curb the use of so-called collapsible corporations, which were liquidated in a manner that had the effect of converting ordinary income tax liability into capital gains tax on the shareholders. It also imposes restrictions on collapsible partnerships which had been overlooked under the earlier law.

The individual income tax previously exempted, without limit, sickness benefits or continuance of salary payments during periods of illness if paid under an insured type of plan. This was especially advantageous for some taxpayers in the higher income brackets. The new law limits the exemption of salary continuance benefits to $100 a week and makes the provision more fair by extending the exemption to all salary continuance benefits whether or not paid under an insured plan.

Another means of avoidance under the old law was to arrange to have life insurance proceeds paid in installments after the death of the insured. The old law exempted not only the life insurance proceeds but also the interest earned after the death of the insured. This enabled beneficiaries of large amounts of insurance to receive substantial interest incomes tax free. The new law requires that the interest earned after the death of the insured on life insurance proceeds paid in installments be subject to tax with the exception of $1,000 a year paid to a surviving spouse.

The provision of the old law which exempted $5,000 of death benefits paid by an employer to beneficiaries of a deceased employee had also been used to avoid tax. The $5,000 limit applied to payments by any one employer. Some persons employed by several corporations arranged for each employer to pay a $5,000 death benefit, thus providing the beneficiary with exempt benefits many times $5,000. The new law closes this loophole by allowing only one $5,000 exemption for each employee.

### Clarification and simplification

Another group of tax changes makes for simpler and clearer tax laws. Taxpayers have been pleading for years that Congress make the tax law clearer and more definite in order to lighten the burden of compliance and reduce the amount of paper work. Clarification of the tax laws and regulations will go a long way toward reducing arbitrary interference with business decisions, minimizing areas of unnecessary dispute and controversy, and eliminating painful uncertainties in the final determination of tax liability. It will obviate needless adjustments in income and deduction items from one year to another.

The provisions of the law are now arranged more logically, obsolete material has been deleted, and the language is made more certain and understandable. In some important areas where the taxpayer had previously been forced to rely upon court decisions and administrative rulings, clear statutory guidance has been provided.

Clarification was one of the principal objectives of the changes made in the provisions relating to corporate reorganizations, re-

capitalizations, and distributions, estates and trusts, and partners and partnerships.

A great deal has been done to make the law more certain. Taxpayers have been given an additional thirty days for filing their tax returns. About a million individuals have been relieved of the responsibility of filing declarations of estimated tax, and those of whom this return is required have been provided with more reasonable rules and exposed to less complicated and less severe penalties.

## Social Security Developments

Major changes were made in the Federal social security system designed to restore benefits to a level, in relation to wages, more nearly comparable to that of earlier years, to expand the scope of the system, and to improve its financial stability. All the social security programs were amended, including old-age and survivors insurance, railroad retirement, and unemployment compensation.

The Social Security Act Amendments of 1954 (Public Law 761, approved August 21, 1954) extended the old-age and survivors insurance program to approximately 10 million additional persons beginning January 1, 1955. Among the principal groups newly covered were self-employed farm operators (with net earnings from self-employment of $400 or more), farm workers receiving $100 or more in cash wages from a single employer in a calendar year, employees of State and local governments covered by retirement systems (other than policemen and firemen), domestic workers in private homes receiving $50 in cash in a calendar quarter, and self-employed professional groups other than physicians, dentists, and lawyers. In addition, provision was made for American citizens employed abroad by foreign subsidiaries of American companies to be covered under voluntary agreements between the Federal Government and the domestic parent corporation.

Maximum annual earnings on which taxes are imposed were increased from $3,600 to $4,200, and the benefit formula was changed to reflect this increase in the wage base. Benefit amounts were raised by approximately $5.00 per month for persons already receiving social security benefits. A new formula for computing monthly benefits was adopted as follows: 55 percent of the first $110 of average monthly earnings and 20 percent of the next $240. A ''drop-out'' provision was also adopted which permits the exclusion of the five years of lowest earnings or of no earnings in an individual's work record. This provision was a substitute for the ''new start'' provisions adopted in the past when coverage was extended.

Under prior law, the retirement test did not apply to individuals above the age of 75. Under the new legislation, the retirement test is abandoned at age 72. In addition, under the retirement test,

allowable earnings have been increased and placed on an annual basis. Thus, an individual earning up to $1,200 a year will receive full social security benefits, and only earnings above $1,200 will serve to reduce benefits.

A new provision safeguards the benefits of disabled persons. Individuals who become totally disabled will have their wage records frozen, so that the period of disability will have no adverse effect in the computation of benefits or insured status.

The current payroll tax rate of 2 percent each on employees and employers which became effective January 1, 1954, was not affected by the new legislation. However, the maximum rate of 3-1/4 percent which was to be applicable after 1969 was amended so that the tax will be 3-1/2 percent of payrolls from 1970 to 1974 and 4 percent thereafter.

The unemployment compensation program was amended by Public Law 767, approved September 1, 1954, to extend the Federal Unemployment Tax Act (Title IX of the Social Security Act of 1935) to employers of four or more employees, instead of employers of eight or more employees. Other changes included: (1) Extension of unemployment compensation to Federal civilian employees with benefits payable under the terms and conditions of the law in the State in which the employee is stationed; (2) authorization to States to apply their experience rating provisions to newly covered employers after one year of coverage instead of three years; and (3) elimination of quarterly installment payments of Federal unemployment taxes.

The financing of unemployment compensation was revised by the Employment Security Administrative Financing Act of 1954 (Public Law 567, approved August 5, 1954). Provision was made for setting aside the excess of tax collections under the Federal Unemployment Tax Act over the administrative expenditures incurred in connection with the unemployment compensation program. The amounts thus set aside are to be available for loans to a State with a balance in its unemployment trust fund account which falls below a specified level. If the amount in the loan fund exceeds $200 million, the excess is to be distributed among the States.

Public Law 746, approved August 31, 1954, amended the railroad programs by increasing unemployment and sickness benefits and making various changes in retirement benefits. Maximum taxable earnings were increased under both programs from $300 to $350 per month (equivalent to the change made in the old-age and survivors insurance program). An important benefit change was to make aged survivor benefits payable at age 60 rather than at age 65.

## INTERNATIONAL FINANCIAL AND MONETARY DEVELOPMENTS

The twelve-month period under review was one of further progress toward international financial stability. In the preceding fiscal year many countries had adopted important fiscal and

monetary measures for bringing about greater internal stability in their economies, thus checking earlier tendencies toward inflation. A number of other countries undertook similar programs during 1953-1954. With a few exceptions, internal prices were relatively stable, though in some instances there were declines, which did not, however, interfere with levels of production and employment. The level of world trade increased over the preceding year and the balances of payments of many countries, especially in Europe, improved, so that they were able to accumulate monetary reserves. The combination of these factors pointed toward a greater possibility of the resumption of currency convertibility, and some important steps were taken in this direction.

The United States balance of payments and gold movements

In the fiscal year the total exports of goods and services from the United States amounted to $20.6 billion and imports to $16.1 billion, compared with $21.1 billion of exports and $16.3 billion [r] of imports in the preceding fiscal year. Exports of goods and services on commercial account in fiscal 1954 were $17.2 billion and imports of goods and services on commercial account $13.5 billion. The balance-of-payments surplus of the United States on commercial account was $3.7 billion. During the year the United States exported military supplies and services, financed by military aid, in the amount of $3.4 billion. United States military expenditures abroad amounted to $2.6 billion. The United States Government made net nonmilitary grants and payments amounting to $1.7 billion and net Government loans of $96 million. Private resources made net long-term dollar investments of $906 million, and gifts and contributions of $454 million. As a net result of these transactions the rest of the world gained a total of $1.9 billion in gold and dollar assets from the United States.

On June 30, 1954, the gold holdings and short-term dollar resources of foreign countries (excluding international organizations and the U.S.S.R.) aggregated $24.0 billion, compared with $21.7 billion at the close of the preceding fiscal year. The increased gold and dollar reserves were largely in the United Kingdom, Germany, other European countries, and Canada, though there was a small increase in Latin America. Asiatic countries, on the other hand, generally had smaller convertible reserves (see table 111). Net gold sales by the United States in fiscal 1954 amounted to $520 million, compared with $997 million in the preceding year. Foreign countries, whose total transactions with the United States resulted in increased holdings, for the most part kept them in the form of dollar balances and short-term investments. The total gold holdings of foreign countries outside the Soviet sphere increased from $12.2 billion [1] to $13.3 billion. At the close of the fiscal year the total gold holdings of the United States amounted to $22.0 billion, approximately 59 percent of the world total, including international organizations but excluding the U.S.S.R.

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[r] Revised.

[1] Including the gold holdings of the Bank for International Settlements and the European Payments Union, but excluding those of the International Monetary Fund.

The United States Treasury continued to buy and sell gold at the fixed price of $35 an ounce (with a one quarter of 1 percent handling charge). The domestic and international importance of the maintenance of this policy was reemphasized at the meeting of the International Monetary Fund in September 1953. While no changes in United States policy affecting the use of gold as a means of international settlement were made in the course of the year, the gold regulations were modified so as to simplify administrative procedures and to reduce the reporting burden on persons legally using, refining and dealing in gold for artistic, professional, and industrial purposes.

## Movements toward convertibility

The major countries of the world have long agreed on the desirability of international currency convertibility and greater freedom for world trade. In the period since the war, however, most countries have retained restrictions on international payments and foreign trade transactions. With the exception of a few countries, currency inconvertibility has been related to deficits in their international transactions with other countries, particularly the United States, while the deficits in themselves have been at least in part the result of disparities in prices and production among the trading nations.

In any general question of currency convertibility the United Kingdom is a focal point, since sterling is used as the means of payment for a large part of the world's trade and exchange transactions, and the United Kingdom holds most of the gold and dollar reserves for the sterling area. In the course of the year sterling showed improving strength in world markets. The reserves of the United Kingdom increased and in the second half of the fiscal year its balance of payments with the dollar area came close to equilibrium.

In 1952 and 1953 the United Kingdom and the Commonwealth countries had reached agreement upon the desirability of taking steps leading toward the achievement of full sterling convertibility on current account transactions. In the course of the past year the British Government continued discussions with the United States Government, the Commonwealth countries, and important European countries about the ways and means of accomplishing this end.

The Minister of Economic Affairs of the Federal Republic of Germany and other German officials also discussed convertibility and related problems with the officers of the Treasury at Washington. Official conversations with representatives of other countries took place at various times, particularly in connection with the annual meetings of the Board of Governors of the International Monetary Fund. At the Ministerial Meeting of the Organization for European Economic Cooperation at Paris in May 1954, there was a discussion of the plans of the United Kingdom, the Commonwealth of Nations, and of the continental European countries for moving forward on convertibility of currencies. It was agreed to establish a Ministerial Examination Group, which met in July in London under the chairmanship of the Chancellor of the Exchequer,

to continue study on convertibility and related problems. The Treasury Under Secretary for Monetary Affairs with other officials of the Government represented the United States in these discussions.

The President of the United States, in his message to the Congress of March 30, 1954, pledged this country's support for the use of the Fund's resources as a means of helping to maintain the exchange values of currencies which might become convertible. At the same time the President pointed out that initiative and responsibility for convertibility rested mainly with the countries undertaking this step.

At the meeting of the Governors of the International Monetary Fund in September 1954 the principal subject for discussion was the "prospects for convertibility." The Under Secretary of the Treasury for Monetary Affairs reiterated the importance which the United States attached to a broad movement to convertibility as part of programs of sound domestic and international finance and as a basis for increased private foreign investment. He noted that the Fund's resources should be available to support convertibility and that effective programs of currency convertibility would assure the revolving character of the Fund. Under convertibility the Fund would have a still more important role in consulting with its member countries, and it was suggested that the Fund's policies could be made more effective if the members accepted the permanent obligations under Article VIII of the Agreement and relinquished their transitional privileges under Article XIV (see exhibit 55). Governors from other countries supported the objectives of convertibility and indicated that their countries would, as soon as feasible, adopt appropriate measures. In their discussion they also emphasized other related matters such as appropriate trade policies, the need for increased foreign investment, and appropriate fiscal and monetary policies.

While the United Kingdom has not taken the definitive step of formal convertibility, it has adopted some significant measures preparing the way for possible later action. Thus, the regulations affecting transferable sterling (i.e., nonresident sterling other than that of American, Canadian, and blocked accounts) were greatly simplified and, with a few exceptions, transferable sterling was made available for capital as well as current account transactions within the transferable account area. Continuing its policy of reopening London commodity markets for important internationally traded basic materials, the United Kingdom added copper, sulphur, hemp, and certain foodstuffs to the list of "convertible" commodities which, as a rule, may be purchased without specific license anywhere in the world and resold for sterling in any market. The London gold market was also reopened, but only for nonresidents of the sterling area, as a step toward restoring London to its prewar position as a major world center for trade in gold.

Other countries also took steps toward freeing international transactions by their nationals. In January 1954, South Africa announced the termination of trade discrimination, although nondiscriminatory restrictions on trade in many commodities were continued. After the agreement on German debts came into effect in September 1953, West Germany instituted a number of exchange relaxations dealing with transfer of current earnings, liberalization of blocked accounts, and simplification of payments mechanisms. In February

1954, Germany also announced its first step in liberalizing dollar imports with the freeing of one-third of the items in the German customs list. In May, Belgium and the Netherlands announced the abolition of restrictions on imports from the United States on an extensive list of items, which previously were permitted to be imported only from nondollar areas. In other countries there has been some lessening of discriminations against the dollar area, indicative of improved balance-of-payments positions. While these steps are still far from currency convertibility, they represent movements toward the elimination of trade discrimination, which would be one of the principal international advantages of convertibility.

### Foreign exchange problems and the International Monetary Fund

In the course of the year the International Monetary Fund agreed to initial par values for the currencies of Burma, Jordan, and Haiti, which had recently become members. It approved changes in the par values of Chile, Paraguay, and Mexico, and also agreed to significant changes in the foreign exchange systems of Brazil, Chile, and Greece.

The International Monetary Fund and the United States Treasury simultaneously took steps in February 1954 to assist Peru in maintaining its foreign exchange system. The Peruvian exchange system has been based on a convertible currency at a flexible, rather than a fixed, rate with practically no restrictions on exchange transactions. A reduced capital inflow, a decrease in exports, and other pressures resulted in a severe depreciation of the sol. The Secretary of the Treasury and representatives of Peru, on February 17, 1954, signed an agreement between the two countries, under which the United States Exchange Stabilization Fund undertook to purchase Peruvian soles up to the equivalent of $12.5 million for the purpose of smoothing out fluctuations in the sol-dollar rate of exchange, if the occasion for such use should arise. At the same time, the International Monetary Fund entered into a stand-by arrangement whereby up to $12.5 million of the Fund's resources would be made available to Peru for this purpose. Peru also obtained a $5 million line of credit from a banking institution in the United States to supplement these resources. A total of $30 million was thus provided to assist Peru in maintaining its flexible exchange system without imposing exchange restrictions (see exhibit 45).

On April 17, 1954, Mexico, after consultation with the International Monetary Fund, devalued the peso from 8.65 to 12.50 pesos to the United States dollar. The Fund at this time announced the conclusion of a stand-by arrangement under which Mexico could purchase up to $50 million in currencies from the Fund with Mexican pesos, if needed, during the ensuing six months. The Treasury Department also announced that the United States-Mexico Stabilization Agreement, which provided for the purchase of Mexican pesos by the United States Exchange Stabilization Fund up to an amount equivalent to $75 million, would continue in effect (see exhibit 46). The Mexican peso continued as a convertible currency free of exchange restrictions.

The International Monetary Fund, in the course of the year, agreed to various changes in the exchange systems of its member

countries. Among the more important actions were the approval of changes in the official exchange rate of the Greek drachma. In April 1953, the rate had been adjusted from 15,000 to 30,000 drachmae per United States dollar. The Greek Government made further changes in its exchange system in May 1954, including a revised denomination of its currency whereby the rate of 30,000 drachmae became a rate of 30 drachmae to the United States dollar. All other currency rates, prices, and claims were simultaneously adjusted in this ratio. The Greek currency system has approached practical convertibility, since most of the former restrictions were eliminated as a result of the economic and monetary program of the Greek Government, carried out with the advice of a currency committee on which a British and an American member served with representatives of the Greek Government.

In July 1953, the International Monetary Fund and, under the Philippine Trade Agreement, the President of the United States, assented to the action of the Philippine Government continuing in effect the Philippine exchange tax of 17 percent for an additional period to June 30, 1954. This period was subsequently extended.

The shifts in the balances of payments of the member countries of the Fund resulted in the course of the fiscal year in Fund currency sales equivalent to $225.8 million. It should be noted that some of these sales involved the purchase, against payments in their own currency by member countries, of sterling and deutschemarks. During the year member countries repurchased their own currencies from the Fund with gold and dollars amounting to $192.8 million.

Among the other actions of the Board of Governors of the Fund at their annual meeting in 1954 were resolutions for the admission of Afghanistan and the Republic of Korea to membership, and for the termination of the membership of Czechoslovakia. In November 1953 the Fund Executive Directors declared Czechoslovakia ineligible to use the Fund's resources. The governors voted to require Czechoslovakia to withdraw from membership, effective on December 31, 1954, unless in the interim it supplied the Fund with the information required under Article VIII, Section 5, and entered into consultation with the Fund under Article XIV, Section 4, of the Agreement.

## Foreign investment, the Export-Import Bank, and the International Bank

In the fiscal year ending June 30, 1954, the estimated volume of American net private long-term dollar foreign investment was $906 million. Of this amount $708 million was in the form of direct investments by American business concerns. In addition about $800 million annually of earnings has been reinvested by foreign subsidiaries of American concerns. At the end of the fiscal year the estimated value of United States private foreign investments (principally long-term) was $25.0 billion. About 68 percent of this was in direct investments.

In addition to the investments of private American businesses and individuals, foreign governments were obligated to the United States Government for $11.8 billion (June 30, 1954) under various loan and

credit agreements concluded mainly since the end of World War II. These agreements included the settlement of lend-lease obligations; the loan under the Anglo-American Financial Agreement; loans by the Export-Import Bank; and obligations arising from the foreign aid and mutual security programs (see table 118).

The Export-Import Bank authorized new loans of $250.4 million during the fiscal year. These loans were made to Latin American countries, Japan, New Zealand, Afghanistan, and Portugal. Loans were made for various types of capital equipment, cotton credits, and economic development. During the year the Bank disbursed $565.2 million on loan commitments made during the year and in previous years. It received $350.3 million in repayments of principal on loans. At the close of the year its total loans outstanding and commitments on loans aggregated $3,206.2 million.

The International Bank for Reconstruction and Development in the fiscal year 1954 made new loans of $324 million, primarily for projects in the less developed countries of Latin America, Asia, and Africa. Included were port and terminal facilities, highways, and power projects. The Bank disbursed $302 million in dollars and other currencies in the course of the year. Its total loan commitments to the end of the period amounted to $1,914 million of which disbursements were $1,406 million.

At the September 1954 meeting of the International Bank several of the governors discussed the "Prospects for Private International Investment." The Secretary of the Treasury described the flow of American private capital abroad and noted that an increased rate of investment would require the growth of mutual confidence of investors and borrowers. Private investment abroad depended upon security of principal from the arbitrary actions of governments and the right of ready repatriation of principal and earnings. He noted the importance of exchange restrictions, financial instability in the capital-receiving countries, and the sometimes unfavorable attitudes of their governments and people as deterrents to private investment (see exhibit 54). Other governors noted that inflation and excessively nationalistic policies in less developed countries deterred private investment, while high rates of return offered an attraction. There was general agreement on the part of the governors that an improved climate for investment and greater domestic and international stability were essential to the flow of capital desired by the less developed countries, and several of the governors explained the measures taken by their governments to attract foreign capital. There was also considerable discussion of the proposed International Finance Corporation as a device for stimulating private foreign investment.

Problems of economic development and international capital investment were among the main topics discussed at the Tenth Inter-American Conference at Caracas, Venezuela, during March 1954, at which the Treasury was represented by Under Secretary for Monetary Affairs Burgess, Assistant Secretary Overby, and staff members. The conference reviewed problems of public and private financing of economic development, raw materials prices and terms of trade, export markets, trade restrictions, agricultural surpluses, and technical cooperation. With a view toward achieving fuller

agreement on the measures for solution of these problems, it was decided to convene a meeting of Ministers of Finance or Economy of the American States. This conference met in Rio de Janeiro in November 1954. Secretary Humphrey headed the United States delegation, which included the Under Secretary of State, Assistant Secretary of the Treasury Overby, and staff of the Treasury and State Departments as well as of other interested agencies.

Foreign Assets Control

The Foreign Assets Control Regulations, issued under authority of Section 5(b) of the Trading With the Enemy Act, block property in the United States in which there is any Communist China or North Korean interest and prohibit all trade or other financial transactions with those countries or their nationals. To prevent evasion by false description of the origin of merchandise, the Control regulations prohibit the unlicensed importation of various types of merchandise chiefly imported from China in the past regardless of the alleged place of origin. Licenses authorizing the importation of Chinese-type merchandise are issued only upon satisfactory evidence of their non-Communist-Chinese origin. To simplify administration and to reduce the burden on importers, the Control entered into agreements with the Governments of Hong Kong, Japan, Nationalist China, the Republic of Korea, France, and the Federal Republic of Germany under which these governments, pursuant to agreed standards, certify the non-Communist-Chinese origin of particular commodities. With these certifications, the commodities may be imported into the United States under general licenses. During the year a number of additional individual items became available for certification under these agreements.

The Control has pursued rigorous enforcement measures, including successful criminal prosecutions, in dealing with the violations of the regulations. Searches of mail addressed to suspect addresses in Hong Kong resulted in the seizure of $250,000 believed to be intended for persons in Communist China. The Control has also blocked foreign bank accounts in the United States which had been utilized in financing dollar transactions involving a Communist Chinese interest to the extent that such interest existed.

The Transaction Control regulations administered by the Control prohibit persons in the United States from purchasing, selling, or arranging the purchase or sale of strategic commodities outside the United States for ultimate shipment to the Soviet bloc. These regulations supplement the export control laws administered by the Department of Commerce.

In May 1954 the Secretary of the Treasury sold the component parts of a sheet and strip steel mill owned by Czechoslovakia, produced here but not yet shipped to that country. This steel mill was blocked under Section 5(b) of the Trading With the Enemy Act. An Argentine bid was the highest and represented a fair price for the property sold. Assurances were given that the mill would be used in the Argentine and would not be transshipped to any other country. The proceeds of the sale have been deposited in blocked accounts in several Federal Reserve Banks.

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# ADMINISTRATIVE REPORTS

## SUMMARY OF PROGRESS IN MANAGEMENT IMPROVEMENT

The tempo of the management improvement program during the fiscal year 1954 is best reflected by an analysis of the improvements and savings accomplished throughout the Department. A conservative estimate of savings from projects completed during the year or scheduled for installation at the end of the year amounted to $20.9 million on an annual recurring basis.

In addition to the monetary benefits, the management improvement program has produced manifold benefits in many less tangible areas such as: (1) Improved coordination and control resulting from better organizational alignments; (2) better supervision and increased employee utilization through executive development and supervisory training programs; (3) simplification of work processes by the preparation or revision of written operating procedures; (4) reduction in and prevention of lost time accidents by constant activity in the safety program; (5) reduction in space requirements through continuous appraisal and records disposal and retention programs; (6) more realistic action and elimination of unnecessary and multiple review through proper delegations of authority and responsibility; (7) aid to top management through improvement of budgetary and performance reporting; and (8) improved services to the public through simplification of procedures and reporting requirements.

Total paid civilian employment in the Department on June 30, 1954, numbered 80, 893, a reduction of 4,597 from that of a year earlier. (See table 119.)

A Treasury Management Committee was established for the purpose of furthering in every way possible the Treasury's efforts to improve and reduce the cost of its services. Composed of the top administrative representative from each bureau, with the Administrative Assistant Secretary serving as chairman, the purpose of the committee is to aid in the process of searching for better means of conducting operations by suggesting ways to stimulate interest and participation in management improvement, by advising on and initiating plans to improve operations, and by serving as a forum for the exchange of information. Alternates to the members serve as a staff group with the dual purpose of initiating matters for attention of the committee and of studying and following-up on problems referred to it by the committee.

Two management surveys were made during the year. A private management engineering firm was engaged to conduct a comprehensive survey of the Bureau of Engraving and Printing. The survey report was received shortly after the close of the fiscal year and initial steps have been taken toward acting upon the recommendations. Another firm was engaged to make a survey of the organization and general management of the Fiscal Service. Work on this survey was started in July 1954.

A Safety Advisory Committee was established with responsibility for policy recommendations on and review of the departmental safety program. A continuing program is maintained by the Fire and Safety Council to stimulate interest and action at all levels. The Treasury's accident frequency rate[1] was 5.1 percent for the calendar year 1953, reflecting a slight reduction from the year before.

[1] The number of disabling accidents per 1,000,000 man-hours worked.

A Committee on Printing and Publication was reestablished to exercise general supervision over all printing and binding originating in and procured for use of the Department. This committee is responsible also for making recommendations regarding regulations governing or affecting the general printing policies of the Department.

There was more participation in the Treasury awards program during the fiscal year 1954 than for any year since the fiscal year 1949. There were 3,073 suggestions received, and 686 adopted for which case awards of $15,745 were paid. Estimated annual savings resulting from adopted suggestions totaled $266,304. Salary increases for superior accomplishment were granted to 36 employees. The Department also granted 9 individual and 7 group efficiency awards to 45 employees under "Title X," amounting to $6,014, based upon demonstrable annual savings of approximately $369,536. In addition, 2 exceptional and 10 meritorious civilian service honor awards were granted.

A critical review of motor vehicle equipment was conducted in an effort to attain greater economy and efficiency in operation and maintenance. The total number of vehicles was reduced by 220 during the fiscal year. Operating and maintenance expense averaged $.0412 per mile, a reduction of 8 percent compared with the year before, while an average of 12.53 miles per gallon of fuel was attained, a 2.4 percent gain.

Continuation of the records management program resulted in the destruction of 153,600 cubic feet of records and the transfer, to records centers and archives, of 206,500 cubic feet of records. These actions released approximately 45,000 4-drawer filing cabinets and about 247,000 square feet of space for reassignment or reuse.

The following examples of specific management improvement actions represent only the more significant areas in which savings were identifiable. Hundreds of projects of a lesser degree were completed. Many projects resulted in improving operations although benefits could not be measured in monetary terms. All, however, contributed to the more effective and efficient organization and management of the Department.

Provisions of the Customs Simplification Act of 1953 (Public Law 243, approved August 8, 1953) made possible the institution of more effective and efficient procedures such as the adoption of modern audit practices with respect to verification of liquidations of formal entries; a revised procedure for spot-checking collectors' money accounts by comptrollers, in lieu of the 100 percent audit; and the elimination of the requirement for issuance of touring permits for automobiles owned by nonresidents being cleared at Canadian and Mexican border ports. Annual savings are estimated at $390,000.

Standards were issued for the uniform assignment of personnel to Customs inspectional activities, resulting in more efficient utilization of manpower. Annual savings are estimated at $275,000.

During the fiscal year, 66 major field offices of the Customs Service were inspected resulting in numerous changes in procedures and duty assignments and application of work production standards. Annual savings are estimated at $114,000.

In the Bureau of Engraving and Printing installation of automatic feeders on intaglio flat-bed presses used for printing currency

eliminated the requirement for an assistant at each press. Annual savings are estimated at $835,000.

Wet currency paper is now received at the Bureau of Engraving and Printing direct from the paper mill in a humidor package. This eliminated the entire wetting operation and hand count previously required and reduced the cost of paper by eliminating the drying operation at the paper mill. Annual savings are estimated at $359,000.

Offset printing is now used by the Bureau of Engraving and Printing to produce the $25 denomination of Series E United States savings bonds instead of the more costly intaglio printing process. Annual savings are estimated at $446,454.

The Bureau of Engraving and Printing installed: (1) an automatic package wrapping machine for cartoning postage stamps which resulted in the elimination of 17 positions, in addition to providing a better package; and (2) vacuumatic paper counting machines and electronic note counters that replaced manual operations. Annual savings are estimated at $68,100.

Further consolidations and improvements in central accounting functions put into effect by the Bureau of Accounts included mechanizing certain posting operations; shifting additional work to punch cards; discontinuing teletype reporting system for obtaining daily receipt and expenditure data; and consolidating two tabulating equipment installations which reduced rental costs. Annual savings are estimated at $65,600.

A further reduction of approximately one-half cent in the unit cost of issuing checks was accomplished by the Division of Disbursement principally through the utilization of newly developed equipment. Annual savings are estimated at $682,900.

Revised procedures for the retirement of United States savings bonds eliminated the greater portion of detail work performed in Federal Reserve Banks by the centralization of such work into the three regional offices of the Register of the Treasury, Bureau of the Public Debt, resulting in substantial economies in personnel, equipment, space, and other related items. Annual savings are estimated at $800,000.

The sale was discontinued of United States savings bonds by post offices in localities where other issuing facilities are available. Provision has been made for sale of these bonds in such areas by commercial banks at no cost to the Government. Annual savings are estimated at $1,800,000.

The project of changing from paper checks to card checks for Government expenditures, involving the combined efforts of the Bureau of the Budget, the General Accounting Office, and the Treasury Department, has been continued and extended to additional accounts. Check payment operations in the Office of the Treasurer of the United States are more economical when card checks are used. Annual savings are estimated at $112,000.

Decentralization of the Internal Revenue Service was completed during the year. Operational activities carried on in the national office were decentralized to field offices, to the extent practicable. Major activities which have been decentralized include: Post review of audited tax returns; housing of corporation income tax returns; processing of certain applications for inspection of returns and re-

lated documents; control and service procedures relating to bankruptcy, receivership, and other debtor cases; processing of certain offers in compromise; and certain administrative functions. Annual savings are estimated at $3,500,000.

Better utilization of personnel has been effected in the Internal Revenue Service. More effective and efficient collection methods have been devised which free collection officers from much routine paperwork, increase their productive capacity, and accelerate the collection of delinquent accounts and the securing of delinquent returns. The practice of detailing substantial numbers of high-salaried technical personnel to assist on processing returns during the filing period has been discontinued. In addition, the Taxpayer Assistance Program was revamped to carry out new policies and objectives of continued essential service to the public. Annual savings are estimated at $4,926,000.

A revised plan for the systematic examination of tax returns of the principal racketeers has resulted in making a substantial number of revenue agents and special agents available for other investigative work. Annual savings are estimated at $1,837,000.

The practice of shipping coins by armored car or truck was adopted, where practicable, by the Bureau of the Mint. Annual savings are estimated at $250,000.

In the United States Coast Guard, economies have been made by transferring or discontinuing certain shore establishments. Three loran stations were transferred to Canada in return for an agreement providing for continued operation by that country; the supply depot at Cleveland, Ohio, was moved to the Navy Supply Depot at Great Lakes, Ill.; one radar beacon station was transferred to the Navy; and, six radar beacon stations were disestablished. Annual savings are estimated at $380,700.

A reorganization of the headquarters staff of the United States Savings Bonds Division, which was regrouped and consolidated into four major branches, eliminated program specialization and reduced administrative costs. Annual savings are estimated at $125,000.

## CHANGES IN ORGANIZATION

A Treasury-sponsored bill providing for two new statutory positions in the Department of the Treasury, an Under Secretary for Monetary Affairs which replaced the position of Deputy to the Secretary, and an additional Assistant Secretary, became Public Law 516 (68 Stat. 496) on July 22, 1954. The same act abolished the positions of Assistant Treasurer of the United States and Assistant Register of the Treasury.

The duties of the Under Secretary for Monetary Affairs, as prescribed by the Secretary of the Treasury, relate to public debt operations and to monetary affairs, and include general supervision over the functions assigned to the Assistant Secretary who supervises the Office of International Finance (including the Foreign Assets Control), the United States Savings Bonds Division, and the Office of the Comptroller of the Currency; over the functions assigned to the Fiscal Assistant Secretary which include the super-

vision of the Fiscal Service; and over those assigned to the new Assistant Secretary relating to some of the remaining functions of the Reconstruction Finance Corporation and its liquidation.

At the time the lending authority of the Reconstruction Finance Corporation was terminated by the act approved June 30, 1953 (67 Stat. 240), effective September 28, 1953, certain functions of the Corporation were transferred to the Secretary of the Treasury. The Corporation, acting for the Secretary of the Treasury, administered these functions until June 30, 1954, under the direction of the Administrator, who was appointed Special Assistant to the Secretary for this purpose.

The supervision of these functions, together with those relating to the liquidation of the Corporation with which the Secretary of the Treasury previously had been charged under Section 10 of the Reconstruction Finance Corporation Act, as amended (15 U.S.C. 609), was assigned to the new Assistant Secretary. For administration of these functions, which includes the carrying out of certain lending provisions under Section 409 of the Federal Civil Defense Act of 1950 and Section 302 of the Defense Production Act of 1950, as amended, there was established on July 1, 1954, in the Office of the Secretary of the Treasury the Office of Defense Lending [1] of which the new Assistant Secretary serves as Director. He also serves as Administrator of the Federal Facilities Corporation which was organized on July 1, 1954, to take over the tin and synthetic rubber programs of the Reconstruction Finance Corporation. (See exhibit 68, Order No. 181.)

## BUREAU OF THE COMPTROLLER OF THE CURRENCY [2]

The Bureau of the Comptroller of the Currency is responsible for the execution of laws relating to the supervision of national banking associations. Duties of the office include those incident to the formation and chartering of new national banking associations, the examination twice yearly of all national banks, the establishment of branch banks, the consolidation of banks, the conversion of State banks into national banks, recapitalization programs, and the issuance of Federal Reserve notes.

### Changes in the condition of active national banks

The total assets of the 4,842 active national banks in the United States and possessions on June 30, 1954, amounted to $108,914 million, as compared with the total assets of 4,881 banks amounting to $103,711 million on June 30, 1953, an increase of $5,203 million during the year. The deposits of the banks in 1954 totaled $99,645 million, which was $4,896 million more than in 1953. The loans in 1954 were $37,782 million, exceeding the 1953 figure by $1,245

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1 Treasury Department Order No. 181-3, dated and effective December 7, 1954, established the Office of Production and Defense Lending and the Defense Lending Division and abolished the Office of Defense Lending. The new Office and the new Division are under the supervision of the new Assistant Secretary.

2 More detailed information concerning the Bureau of the Comptroller of the Currency is contained in the separate Annual Report of the Comptroller of the Currency.

Abstract of reports of condition of active national banks on the date of each report from June 30, 1953, to June 30, 1954

[In thousands of dollars]

| | June 30, 1953 (4,881 banks) | Sept. 30, 1953 (4,871 banks) | Dec. 31, 1953 (4,864 banks) | Apr. 15, 1954 (4,848 banks) | June 30, 1954 (4,842 banks) |
|---|---|---|---|---|---|
| ASSETS | | | | | |
| Loans and discounts, including overdrafts | 36,537,355 | 37,049,337 | 37,944,146 | 37,703,648 | 37,782,386 |
| U. S. Government securities, direct obligations | 33,025,310 | 35,287,324 | 35,563,334 | 34,560,499 | 35,835,931 |
| Obligations guaranteed by U. S. Government | 23,744 | 25,429 | 25,429 | 26,997 | 26,424 |
| Obligations of States and political subdivisions | 6,218,735 | 6,346,681 | 6,330,265 | 6,783,450 | 6,954,581 |
| Other bonds, notes, and debentures | 2,066,839 | 2,035,365 | 2,086,723 | 1,936,535 | 1,905,204 |
| Corporate stocks, including stocks of Federal Reserve Banks | 200,901 | 201,809 | 204,482 | 209,664 | 210,936 |
| Total loans and securities | 78,072,884 | 80,945,945 | 82,154,379 | 81,220,793 | 82,715,462 |
| Cash, balances with other banks, including reserve balances, and cash items in process of collection | 24,343,646 | 24,030,168 | 26,545,518 | 24,203,082 | 24,699,908 |
| Bank premises owned, furniture and fixtures | 776,291 | 796,042 | 807,527 | 838,088 | 847,463 |
| Real estate owned other than bank premises | 23,775 | 25,033 | 30,811 | 18,213 | 18,565 |
| Investments and other assets indirectly representing bank premises or other real estate | 58,911 | 59,610 | 51,650 | 51,117 | 52,610 |
| Customers' liability on acceptances | 122,472 | 171,489 | 191,856 | 195,612 | 175,054 |
| Income accrued but not yet collected | 183,772 | 210,141 | 216,485 | 217,938 | 253,115 |
| Other assets | 129,525 | 120,762 | 118,473 | 154,054 | 151,438 |
| Total assets | 103,711,276 | 106,359,190 | 110,116,699 | 106,898,897 | 108,913,615 |
| LIABILITIES | | | | | |
| Demand deposits of individuals, partnerships, and corporations | 53,369,383 | 53,791,070 | 56,614,391 | 53,886,291 | 53,784,450 |
| Time deposits of individuals, partnerships, and corporations | 22,285,848 | 22,548,572 | 22,863,011 | 23,424,828 | 23,978,113 |
| Deposits of U. S. Government and postal savings | 2,486,392 | 3,873,352 | 2,830,669 | 2,480,414 | 3,627,105 |
| Deposits of States and political subdivisions | 6,627,528 | 6,222,445 | 6,793,634 | 6,917,357 | 7,063,425 |
| Deposits of banks | 8,596,634 | 8,881,040 | 10,155,942 | 9,143,411 | 9,752,516 |
| Other deposits (certified and cashiers' checks, etc.) | 1,383,168 | 1,301,283 | 1,689,586 | 1,477,337 | 1,439,122 |
| Total deposits | 94,748,953 | 96,617,762 | 100,947,233 | 97,329,638 | 99,644,731 |
| Demand deposits | 70,774,840 | 72,362,237 | 76,189,784 | 71,639,048 | 3,280,391 |
| Time deposits | 23,974,113 | 24,255,525 | 24,757,449 | 25,690,590 | 26,364,340 |
| Bills payable, rediscounts, and other liabilities for borrowed money | 45,510 | 483,231 | 14,851 | 319,466 | 28,751 |
| Mortgages or other liens on bank premises and other real estate | 206 | 196 | 190 | 341 | 434 |
| Acceptances outstanding | 133,223 | 179,551 | 203,910 | 205,972 | 182,799 |
| Income collected but not yet earned | 314,745 | 324,774 | 320,592 | 319,647 | 310,814 |
| Expenses accrued and unpaid | 389,395 | 500,102 | 491,117 | 489,048 | 407,537 |
| Other liabilities | 840,520 | 897,728 | 729,290 | 614,645 | 633,649 |
| Total liabilities | 96,472,552 | 99,003,344 | 102,707,183 | 99,278,757 | 101,208,715 |
| CAPITAL ACCOUNTS | | | | | |
| Capital stock | 2,264,629 | 2,273,883 | 2,301,757 | 2,352,681 | 2,371,078 |
| Surplus | 3,410,122 | 3,425,699 | 3,523,443 | 3,608,648 | 3,645,330 |
| Undivided profits | 1,296,655 | 1,387,126 | 1,310,761 | 1,385,346 | 1,404,866 |
| Reserves and retirement account for preferred stock | 267,318 | 269,138 | 273,555 | 273,465 | 283,626 |
| Total capital accounts | 7,238,724 | 7,355,846 | 7,409,516 | 7,620,140 | 7,704,900 |
| Total liabilities and capital accounts | 103,711,276 | 106,359,190 | 110,116,699 | 106,898,897 | 108,913,615 |

million. Securities held totaled $44,933 million, an increase of $3,397 million during the year. Capital funds of $7,705 million were $466 million more than in the preceding year.

The assets and liabilities of the active national banks are shown in the preceding statement.

Summary of changes in number and capital stock of national banks

The authorized capital stock of the 4,842 national banks in existence on June 30, 1954, consisted of common stock aggregating $2,367 million, an increase during the year of $102 million, and preferred stock aggregating $5 million, a decrease during the year of $1 million. The total net increase of capital stock was $101 million. During the year charters were issued to 20 national banks having an aggregate of $5 million of common stock. There was a net decrease of 42 in the number of national banks in the system by reason of voluntary liquidations, statutory consolidations and mergers, and conversions to and mergers or consolidations with State banks under the provisions of the act of August 17, 1950 (12 U.S.C. 214).

More detailed information regarding the changes in the number and capital stock of national banks in the fiscal year 1954 is given in the following table.

Organizations, capital stock changes, and liquidations of national banks, fiscal year 1954

| | Number of banks | Capital stock | |
|---|---|---|---|
| | | Common | Preferred |
| Charters in force June 30, 1953, and authorized capital stock[1] | 4,884 | $2,264,317,563 | $5,668,200 |
| Increases: | | | |
| Charters issued | 20 | 4,903,000 | .......... |
| Capital stock: | | | |
| 155 cases by statutory sale | .......... | 33,109,154 | .......... |
| 283 cases by statutory stock dividend | .......... | 66,344,731 | .......... |
| 9 cases by stock dividend under articles of association | .......... | 327,500 | .......... |
| 16 cases by statutory consolidation | .......... | 10,229,950 | .......... |
| 6 cases by statutory merger | .......... | 1,318,815 | .......... |
| 1 case by conversion of preferred stock | .......... | 12,000 | .......... |
| Total increases | 20 | 116,245,150 | .......... |
| Decreases: | | | |
| Voluntary liquidations | 34 | 5,420,000 | .......... |
| Statutory consolidations | 10 | .............. | .......... |
| Statutory mergers | 7 | .............. | .......... |
| Conversion into State bank | 1 | 35,000 | .......... |
| Merged or consolidated with State banks | 10 | 7,689,100 | .......... |
| Capital stock: | | | |
| 1 case by statutory reduction | .......... | 8,750 | .......... |
| 3 cases by statutory consolidation | .......... | 385,000 | .......... |
| 3 cases by statutory merger | .......... | 255,000 | 100,000 |
| 23 cases by retirement | .......... | .............. | 776,380 |
| Total decreases | 62 | 13,792,850 | 876,380 |
| Net change | -42 | 102,452,300 | -876,380 |
| Charters in force June 30, 1954, and authorized capital stock[1] | 4,842 | 2,366,769,863 | 4,791,820 |

[1] These figures differ from those in the preceding table. June 30, 1953, figures include 1 newly chartered bank not yet open for business; 1 bank in process of merging or consolidating with a State bank under provisions of the act of Aug. 17, 1950 (12 U.S.C. 214); 2 banks in process of going into voluntary liquidation, and exclude 1 bank consolidated with another national bank at close of business June 30, 1953, under provisions of the act of Nov. 7, 1918, as amended (12 U.S.C. 33, 34). June 30, 1954, figures include 1 newly chartered bank not yet open for business; 1 bank in the process of going into voluntary liquidation, and exclude 2 banks consolidated with other national banks at close of business June 30, 1954, under provisions of the act of Nov. 7, 1918, as amended.

# BUREAU OF CUSTOMS

The principal functions of the Bureau of Customs are the assessment and collection of duties and taxes on imported merchandise and baggage; prevention of smuggling, undervaluations, and frauds on the customs revenue; apprehension of violators of the customs and navigation laws; entering and clearing of vessels and aircraft; issuing of documents and signal letters to vessels of the United States; admeasurement of vessels; collection of tonnage taxes on vessels engaged in foreign commerce; supervision of the discharge of imported cargoes; inspection of international traffic; control of the customs warehousing of imports; determining and certifying for payment the amount of drawback due upon the exportation of articles produced from duty-paid or tax-paid imports; enforcement of the antidumping and export control acts; regulation of the movement of merchandise into and out of foreign trade zones; and enforcement of the laws and regulations of other Government agencies affecting imports and exports.

## Collections by Customs Service

Total revenue collected by Customs in the fiscal year 1954 was over $801 million as compared with $829 million in 1953, a decrease of 3.4 percent. The total includes not only customs collections but also certain internal revenue taxes for the Internal Revenue Service and some collections for the Public Health Service and other governmental agencies.

Customs collections alone amounted to $567 million, a decrease of over 8.6 percent from the previous year's total of $620 million. They consisted of collections of duties, tonnage taxes, and fines and penalties for the violation of customs, navigation laws, etc. The decrease in customs collections in 1954 was partially offset by an increase in collections by Customs of internal revenue taxes on imported liquors, wines, perfumes, etc., which amounted to $235 million in 1954, or 12 percent more than the $210 million collected in 1953.

Of the customs collections, all but $4½ million were derived from duties (including import taxes) levied on imported merchandise. The source of duty collections by type of entry is shown in table 11 and by tariff schedule in table 92. Since the data in the latter are restricted to commercial importations, the totals shown are somewhat smaller than the duties collected on all types of dutiable merchandise and correspond roughly to duties collected on consumption entries and on warehouse withdrawals.

In 1954, more than one-half of all imports into the United States were duty free and included some commodities imported free for Government stockpile purposes or authorized by special acts of Congress for free entry although dutiable under the Tariff Act of 1930, or taxable under the Internal Revenue Code, such as copper and iron and steel scrap. The 44½ percent which was dutiable constituted the basis of customs duties on imports.

In only two months of the fiscal year 1954, July and November, were customs duties at a higher level than for the corresponding months of 1953. The decline in duty collections was greater pro-

portionately than the decline in the value of dutiable imports which amounted to $4.6 billion in 1954, as compared with $4.8 billion in the previous fiscal year.

Collections by customs districts.--Of the 44 customs districts in which collections are covered into the Treasury of the United States, only 18 reported larger collections of customs than in 1953. The collections for each customs district are found in table 91.

Collections by commodities.--Only six of the fifteen schedules in which dutiable commodities are listed in the Tariff Act showed increases in duty collections and with the exception of wood products, alcoholic liquors, and cotton goods, these increases were very small. Moreover, the duty yield on the group of free-list commodities taxable under the Internal Revenue Code, which consisted mostly of petroleum products in 1954, declined sharply by reflecting the first full year's application of reduced rates on petroleum and its products under the Venezuelan Trade Agreement which became effective in October 1952.

As in the previous two years, imports of metals and metal products were the largest single source of customs revenue, amounting to 23 percent of the total duty collections in 1954 and 22 percent in the preceding year. Of the commodities in this schedule, ferric alloys such as tungsten, manganese, etc., electrical machinery, lead, and zinc yielded increased revenue, while the revenue from metal tubing, watch movements and parts, automobiles, and machinery (other than electrical) was less than in 1953. The agricultural schedule ranked second, the sundries schedule third, and the wool schedule fourth as a source of revenue in 1954, the last dropping from second place in the previous year. Most of the decline in collections under the wool schedule was due to a sharp reduction in imports of unmanufactured wool on which the revenue declined from $56 million in 1953 to $29 million during the past year. Under the sundries schedule, the chief sources of revenue were laces and embroideries, precious stones, jewelry, and toys.

Table 92 gives the value of and duties collected on dutiable and taxable imports for consumption in the fiscal years 1953 and 1954. Tables 94 and 95 show the value of and the duties collected on imports for consumption in the calendar years 1943 to 1953 and monthly from January 1953 to June 1954. The trends in value and duty yield for goods dutiable at specific rates, at ad valorem rates, and at compound rates are shown in table 93.

Collections by countries of origin.--The diminished value of imports and the lower yield in duties, noted in the commodity groups, was noted also for most of the leading countries sending imports to the United States. For the third successive year, the United Kingdom outranked Canada as the largest source of customs revenue, although collections on imports from each were slightly smaller than in 1953.

The greatly diminished imports of wool were reflected in sharp declines in the revenue derived from imports from Argentina, Uruguay, Australia, and New Zealand.

Table 96 shows the value of imports for consumption and the duties collected thereon by the principal countries for the fiscal years 1953 and 1954.

Extent of operations

Movement of persons.--For the first time in thirteen years, fewer persons entered the United States during 1954 than in the previous year, reversing the upward trend which began in 1942 and continued at an accelerated rate in the years following World War II. For the fourth successive year in airplane history, the number of passengers arriving from abroad exceeded the million mark and for the fifth successive year, the number of passengers arriving at the New York City international airports exceeded those arriving at the Miami airports.

Table 98 shows the various types of vehicles and persons entering the United States during the past two fiscal years, and table 99 shows the number of airplanes and passengers arriving in each of the customs districts for which this type of travel was important.

Entries of merchandise.--Despite a decline in the value of dutiable imports and in the amount of duties collected, the number of merchandise entries was slightly greater in 1954 than in the previous year. This was due entirely to an increase in the number of baggage entries and of "all other entries," since the number of consumption and warehouse entries and warehouse withdrawals, which constitute the chief source of commercial importations, declined. The number of each type of entry for the past two fiscal years is shown in table 97.

Drawback transactions.--Drawback which is allowed on the exportation of merchandise manufactured from imported materials and for certain other export transactions usually amounts to 99 percent of the customs duties paid at the time the goods are entered. More than 95 percent of the drawback allowed in 1954 was due to the export of products manufactured from imported raw materials. The principal imported materials used in the manufactured exports in 1954 were watch movements, lead ore, tobacco, sugar, petroleum, aluminum, and zinc.

Tables 100 and 101 show the drawback transactions for the fiscal years 1953 and 1954. The amount of drawback allowed, as shown in table 100, does not correspond exactly with the drawback payments shown in table 101 since not all drawbacks certified for payment are paid during the same fiscal year.

Appraisement of merchandise.--The decline in imports of foreign merchandise was reflected in the number of invoices and in the packages examined at appraisers' stores. There were 1,472 thousand invoices handled in 1954 as compared with 1,507 thousand in the previous year. An even sharper decline was noted in the number of packages examined, from 704 thousand in 1953 to 645 thousand in 1954. This greater proportionate decrease in the number of packages examined was probably due to the streamlining of the procedure for ordering examinations. The number of invoices received serves as a general indicator of examiners' technical workloads for, despite the decline of 2 percent from the peak year in 1953, the load continued practically as heavy as the average in the last four years. Problems in determining both advisory classification and appraised value continued high as shown by requests by appraising officers for 968 foreign inquiries which require an investigation in the country of production in order to obtain the

technical information needed. This number is somewhat less than in the two preceding years, but almost twice that of 1951 and prior years.

Customs Information Exchange.--The activities of the Customs Information Exchange, as shown by the number of reports received and disseminated to appraising officers during the fiscal year, were slightly less than in 1953, but were equal to or greater than in previous years. Appraisers' reports of value and classification, covering a cross section of importations of merchandise received at each port, totaled 55 thousand in 1954 compared with 60 thousand in 1953.

The number of such reports, however, was reduced as a result of the introduction of a waiver procedure put in operation at the beginning of the fiscal year 1954. This procedure provided that, if no importation of such merchandise was reported at any other port, a waiver be granted making it unnecessary to send in further reports of this type of merchandise. Over 10 thousand waivers were granted during 1954. These reports of value or classification indicate the relative number of commodity items received at any given port for the first time, as well as regular items received at new prices or subject to different terms of sale than previous shipments.

Differences in value and classification indicate the number of instances where entries varied at different ports either in value or classification and in which additional study and analysis were required before establishment of a uniform price or rate. Price changes and changes in marketing methods continued high, as indicated by the 5,232 reports of value differences in 1954, as compared with 6,135 in the previous year.

The number of classification differences, which indicates the relative number of new commodities received, totaled 5,025 in 1953, and 3,704 during the past year.

Antidumping, countervailing duty, and convict labor enforcement.--Complaints of dumping under the Antidumping Act during the fiscal year 1954 were 56 percent greater than in 1953, and complaints under the countervailing duty statute increased 133 percent over those in 1953. During the year adjustments were made in rates of countervailing duties assessable on British silk and silk articles and Uruguayan wool tops to reflect changes which have occurred since issuance of the original order. One finding of the use of convict labor and no findings of dumping were made. Steps have been taken to speed up action on these cases and reduce the backlog.

Technical services.--This branch of the Customs Service furnishes chemical, engineering, and other scientific and technical information; provides proper weighing and gauging equipment; designs and oversees the construction of border inspection stations; and directs the field operations of customs laboratories.

The laboratories analyzed 100 thousand samples during each of the past two fiscal years, more than half of which consisted of ores and metals, sugar, and wool. The majority of the samples were "import" samples of dutiable merchandise analyzed to develop and report facts needed for tariff purposes.

In addition, the laboratories analyzed 3,662 samples taken from customs seizures, mostly narcotic drugs and other prohibited

articles; 205 from merchandise to be exported from the United States upon which claims for drawback are to be compared or verified; 864 from preshipments (new types of merchandise) analyzed to develop facts on which to base the tariff classification of such new goods intended for shipment to the United States; and 3,287 for other Government agencies, of which 2,601 were samples of critical and strategic materials representing Government purchases for stockpile purposes to determine whether or not the materials met contract specifications.

Statistical quality control on sample weighing operations by making analyses of the cargo sample weighing data to assure that accuracy and precision were within the control limits was continued in 1954. There were 891 such weighing operations, including 607 cargoes of raw sugar, 87 of refined sugar, 2 of wool, 21 of rayon, 166 of cigarette tobacco, and 8 of other merchandise.

Export control.--As a result of combining export control functions with other customs operations on July 1, 1953, the control was more effective and there was a considerable saving in manpower. The number of seizures for export control violations increased from 223 in the fiscal year 1953, to 484 during the fiscal year 1954, a rise of 117 percent.

The United States is one of 14 western nations participating in an international export control program. During the fiscal year 1954, as the result of visits to France and Italy by United States Technical Export Control Missions and visits to the United States of Export Control Missions from France, Germany, Belgium, and Italy, considerable progress was made in developing a uniform customs procedure to assist participating countries in preventing the diversion of strategic materials.

The following table shows the volume of export control activities during the fiscal years 1953 and 1954.

| Activity | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Export declarations authenticated | 4,235,167 | 3,933,597 | -7.1 |
| Shipments examined | 664,113 | 761,359 | 14.6 |
| Number of seizures | 223 | 484 | 117.0 |
| Value of seizures | $385,269 | $359,469 | -6.7 |
| Export control employees | 324 | 234 | -27.8 |

Protests and appeals.--Fewer protests were filed in 1954 by importers against the rate and amount of duty assessed and other actions by the collectors than during the preceding year. Appeals for reappraisement filed by importers who did not agree with the appraisers as to the value of the merchandise continued the decline begun in 1953.

The following table shows the number of protests and appeals filed and acted upon in the fiscal years 1953 and 1954.

| Protests and appeals | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Protests: | | | |
| Filed with collectors by importers | 32,549 | 28,039 | -13.9 |
| Allowed by collectors | 1,960 | 2,216 | 13.1 |
| Denied by collectors and forwarded to customs court | 20,387 | 21,248 | 4.2 |
| Appeals for reappraisement filed with collectors | 9,244 | 7,848 | -15.1 |

Marine activities.--The security classifying of entry and clearance records of Military Sea Transportation Service vessels was discontinued. Classified records were declassified pursuant to Executive Order No. 10501 of November 5, 1953 (18 F.R. 7049). Separate recording and numbering of manifests for such vessels also was discontinued.

The following table shows the number of entrances and clearances of vessels in 1953 and 1954.

| Vessel movements | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Entrances: | | | |
| Direct from foreign ports | 49,464 | 48,499 | -2.0 |
| Via other domestic ports | 25,680 | 32,576 | 26.9 |
| Total | 75,144 | 81,075 | 7.9 |
| Clearances: | | | |
| Direct to foreign ports | 45,039 | 43,981 | -2.3 |
| Via other domestic ports | 23,475 | 27,076 | 15.3 |
| Total | 68,514 | 71,057 | 3.7 |

The Bureau participated in the drafting of enabling legislation to give effect to the International Convention for the High Seas Fisheries of the North Pacific Ocean, signed at Tokyo on May 9, 1952. The legislation was enacted on August 12, 1954, as Public Law No. 579, 83d Congress. The Bureau is one of the enforcement agencies under the act, which provides penalties against United States, Canadian, and Japanese fishing vessels and fishermen found engaged in fishing in waters of the high seas from which the respective governments involved have agreed to abstain.

The Bureau cooperated with the Department of Justice in the settlement of litigation for forfeiture under statutes administered by the Bureau of several tankers alleged to be controlled by aliens rather than citizens. The vessels were seized at the request of the Department of Justice prior to the filing of libels for forfeiture in the District Courts of the United States. Under the settlement, some 19 vessels, all large tankers or dry cargo vessels, five of which were under Panamanian registry and outside the United

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States, were declared to be forfeited to the Government. A substantial sum of money also was paid to the United States.

At the end of the fiscal year, negotiations were proceeding through the Department of Justice to effect similar settlements of matters being litigated.

The Maritime Administration, which had been allocating vessels to private concerns for operation in the Korean war effort under bareboat charter arrangements, changed many such allocations to general agency agreements. Under such agreements vessels were found to be more often exempted from payment of tonnage tax, and the percentage of refunds authorized increased.

The decrease in activities in Korea incident to the cease-fire agreement resulted in a substantial decrease in entries and payments of tonnage tax. Hence, the overall number of applications for refunds decreased.

A waiver was granted under the act of December 27, 1950 (64 Stat. 1120), to permit the clearance of certain vessels under the control of the Military Sea Transportation Service for unnamed destinations and clearance of any vessel with Department of Defense cargo on the basis of a manifest which describes such cargo only in terms of approximate quantity. The waiver has facilitated the movement of defense materials and vessels, with less paperwork and increased security.

Waivers were also granted to authorize the issuance of a provisional certificate of registry to a vessel purchased abroad without the usual 6-months' expiration provision if the vessel was to be maintained abroad; to permit the transportation of certain personnel of the Department of the Navy and the Department of Commerce and of merchandise between the Swan Islands and ports in the Florida district; and to permit the documentation of four vessels without compliance with the requirements of Section 496, Title 46, United States Code, for the issuance of certificates of inspection by the United States Coast Guard.

As in previous years, special legislation authorized the use of Canadian vessels for a limited period in certain portions of the coastwise trade in Alaska. Similar special legislation authorizing the use of Canadian vessels in transporting iron ore between United States ports on the Great Lakes, which has been enacted annually for some years, was not enacted for this fiscal year.

The Bureau has continued the work of translating the admeasurement regulations of the principal maritime nations with the object of determining which have adopted a mode of admeasurement similar to that of the United States. The translation, which it is anticipated will be completed before the end of the fiscal year 1955, will permit the Bureau to commence the formidable task of comparison with the United States rules to determine the major points of difference. The result will have an important bearing on the recognition accorded foreign admeasurement systems by the United States and will also provide a necessary basis for approaching the problem of international uniformity.

Developments in the direction of uniformity of tonnage calculations on an international level are being studied with a view to determining their effect upon the United States system. Although the

Department did not send an observer to the international convention of tonnage experts in Paris this year, the meeting was reported through a representative of the Embassy in London.

Many decisions during the year reflected the current trend toward specialization of vessel design and construction. Legislation (S. 2814, 83d Cong., 2nd Sess.) was proposed by the Department to insure a more equitable deduction for propelling-machinery spaces in the case of a vessel with an engineroom aggregating 13 percent or less of its gross tonnage. Although the bill was not enacted into law, enactment of a similar bill will be sought in the next Congress in order to avoid penalizing the efficiency of modern, compactly designed engineroom spaces. Great Britain and several foreign countries have taken like action and others may be expected to do so.

An exchange of correspondence with the Suez Canal Company provided the Bureau's admeasurement staff with several changes of interpretation of the Suez Canal Admeasurement Rules. These have been made available to the shipping industry and should result in more economical transiting operations.

The marine document of a United States vessel engaged in trade with foreign countries is valid until surrendered. The licenses of vessels engaged in coastwise trade or fishing must be renewed each year. The mortgaging or change of ownership of vessels also requires the certification and issuance of various documents.

The following table shows the volume of marine documentation activities during the fiscal years 1953 and 1954.

| Activity | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Number of documents issued | 11,592 | 13,963 | 20.5 |
| Number of licenses renewed | 22,220 | 25,424 | 14.4 |
| Number of mortgages, bills of sale, and abstracts of title recorded | 9,618 | 11,075 | 15.1 |
| Number of abstracts of title issued | 2,166 | 2,220 | 2.5 |
| Number of navigation fines imposed | 2,337 | 1,486 | -36.4 |

The system for maintaining the records of vessels documented as vessels of the United States was changed during the year so as to permit the photographic reproduction of those records for printing by the offset method. A 1953-1954 issue of the annual publication "Merchant Vessels of the United States" was reproduced in this manner, resulting in a saving of approximately 90 percent of the former cost of reproduction. A similar change to offset reproduction was effected for "Merchant Marine Statistics," a companion publication, resulting in a saving of about 75 percent of the former cost of printing.

The following tabulation shows the status of the merchant marine as of January 1, 1954, broken down into vessels engaged in the foreign trade, vessels by major rigs, and vessels by the five major services.

| Vessels | 1953 | | 1954 | |
|---|---|---|---|---|
| | Number | Gross tons | Number | Gross tons |
| Total documented vessels (including yachts) | 41,819 | 30,682,488 | 42,767 | 30,898,233 |
| Vessels engaged in foreign trade | 6,636 | 19,007,081 | 6,807 | 18,983,878 |
| Vessels by major rigs: | | | | |
| Steam | 4,339 | 25,376,917 | 4,241 | 25,489,085 |
| Motor | 26,452 | 2,130,409 | 27,324 | 2,142,027 |
| Sail | 238 | 54,895 | 228 | 46,154 |
| Unrigged | 7,043 | 2,983,927 | 7,215 | 3,087,021 |
| Vessels by five major services: | | | | |
| Freight | 10,006 | 22,605,356 | 10,189 | 22,808,289 |
| Fishing | 14,561 | 509,984 | 14,935 | 531,599 |
| Passenger | 4,436 | 871,176 | 4,678 | 805,305 |
| Tanker | 1,813 | 5,477,940 | 1,743 | 5,519,776 |
| Towing | 4,445 | 509,931 | 4,574 | 516,182 |

Legal problems and proceedings.--Consideration was given by the Office of the Chief Counsel to a large variety of legal problems relating to such matters as classification and appraisement of imported merchandise; interpretation of administrative and enforcement provisions of the customs and navigation laws; rights and duties of customs employees; drafting of proposed legislation; preparation of reports on pending legislation; and the preparation of customs regulations. Special consideration was given to a number of questions arising under the Customs Simplification Act of 1953 (Public Law 243, approved August 8, 1953), such as the effective date of the repeal of the former Section 489 of the Tariff Act of 1930 (19 U.S.C. 1489), relating to additional duties for undervaluation of merchandise; and the effective date of the amendment of Section 503 of the Tariff Act regarding the assessment of duties on the entered value of merchandise or the final appraised value, whichever is higher.

Other questions especially considered related to the time within which voluntary reliquidations may be effected on matters not covered by a protest or a court decision on the protest; the authority to require bonds where there has been notice of withheld appraisement under the Antidumping Act of 1921; the authority to accept informal entries for perishable articles or other articles the immediate delivery of which is provided for by Section 448(b) of the Tariff Act; the payment of awards to informers; and the payment of overtime and holiday compensation to customs employees. A considerable amount of work was done in cooperation with the Department of Justice in the taking of final testimony in the Court of Claims in the customs inspectors' overtime cases arising out of the decisions in United States v. Meyers 320 U. S. 561, 321 U. S. 750 and United States v. O'Rourke 109 Ct. Clas. 33 and in cases involving the claims of former customs border patrol employees to overtime compensation under the Federal employees pay acts.

Law enforcement and investigative activities.--The number of investigations conducted by the Customs Agency Service during the fiscal year was less than during either of the two preceding years, as shown in table 104. A decrease in touring permit violations was due to a provision in the Customs Simplification Act

permitting the admission of automobiles as personal effects of nonresidents when such machines were to be used solely for touring purposes in the United States. A decrease in navigation violations was due in part to the fact that owners of licensed vessels are now given notice of the expiration date of such vessel licenses with the result that most licenses are now renewed within the time prescribed. On the other hand, investigations involving narcotic and other smuggling activities increased. Personnel investigations also rose as a result of the new security investigations of the large number of employees holding "sensitive" positions, as required by Executive Order No. 10450, dated April 27, 1953.

Major enforcement problems, as during the preceding year, involved the smuggling into the United States of diamonds, narcotic drugs, and psittacine birds; and the smuggling out of the country of arms, ammunition, and implements of war. Diamond smuggling is carried on not so much to avoid the payment of the 10 percent duty as to evade income and luxury taxes. A special customs "racket" squad at New York made several important arrests during the fiscal year and seized diamonds with a value of more than $400 thousand.

Attempts to smuggle psittacine birds continued, both automobiles and aircraft being used in this illegal operation.

The smuggling of narcotics continued, the number of seizures by customs officers being practically the same as in 1953, although the quantity of the seized drugs was smaller, as follows:

| Kind | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Raw opium (ounces) | r 4,620 | 971 | -79.0 |
| Smoking opium (ounces) | r 263 | 671 | 155.1 |
| Heroin (ounces) | r 216 | 291 | 34.7 |
| Other drugs (ounces) | 3,437 | 43 | -98.7 |
| Marihuana, bulk (ounces) | r 22,103 | 24,782 | 12.1 |
| Marihuana, cigarettes (number) | 2,660 | 2,391 | -10.1 |

r Revised.

Violations of the Neutrality Act continued to be one of the major problems for enforcement officers as they have been during the past several years. An attempt was made by Cuban exiles in this country to export arms illegally in an effort to overthrow the present Cuban Government. Along the Mexican border other seizures were made of arms and ammunition destined for a Central American country.

As the result of an investigation conducted during 1953, a seizure was made of Charollais cattle of an estimated value of approximately one million dollars. The two offenders in the case pleaded guilty and were sentenced to fines and imprisonment.

In addition to seizures made for customs violations, 31,069 seizures were made for other agencies, of which 30,601 were for the Department of Agriculture. In addition, 32 persons were apprehended and delivered to the Immigration, Secret Service, military, or municipal authorities.

Of the 557 persons arrested for narcotic violations, 420 convictions were secured, with total penalties of 1,312 years imprisonment and almost $9 thousand in fines. For all violations, 802 arrests were made during the year, an increase of 132 over those in 1953. Of the arrests, 622 were made in the El Paso and San Francisco districts. There were 482 convictions, or 89 more than in 1953. At the end of the year, there were 327 offenders awaiting trial or still under indictment, which was 77 more than at the beginning of the year.

Seizures for the violation of customs laws are shown in tables 102 and 103.

Foreign trade zones.--During the seventeenth year of its existence, Foreign Trade Zone No. 1 on Staten Island continued its successful operation at a slightly higher level than during the previous year, although the number of entries of merchandise into customs territory and the duties collected thereon were lower. Thirty-four vessels used the zone facilities for either discharging or lading foreign cargoes and 32 ships berthed at the zone to lade domestic ships' stores. Improved protective facilities established by the zone operator made it possible to reduce the reimbursable payrolls for customs officers by almost $30 thousand.

Operations at Foreign Trade Zone No. 2 in New Orleans were at approximately the same level as in 1953, although there was an increase in the number of entries into customs territory and in the amount of duties collected on such entries.

Foreign Trade Zone No. 3 in San Francisco showed a sharp increase in the volume of business transacted. A plan was worked out with the zone operators whereby the number of customs patrol officers was reduced during hours when the zone was closed for business, thus saving the zone approximately $15 thousand a year. Sixty-two vessels used the zone facilities during the year 1954.

Operations at Foreign Trade Zone No. 4 at Los Angeles were at a considerably lower level than during the previous year, but were much higher than in 1952.

The business at Foreign Trade Zone No. 5 at Seattle also declined from the previous year partly because the zone lost its ship berthing facilities in a relocation move.

The operations at Foreign Trade Zone No. 6 in San Antonio were discontinued at the end of October 1953, and the grant to this zone was canceled. The following table contains a brief summary of foreign trade zone operations.

| Trade zone | Number of entries | Received in zone | | Delivered from zone | | Duties and internal revenue taxes collected |
|---|---|---|---|---|---|---|
| | | Long tons | Value | Long tons | Value | |
| New York | 6,003 | 62,581 | 34,476,699 | 59,570 | $54,541,523 | $3,256,973 |
| New Orleans | 757 | 24,474 | 13,987,157 | 22,765 | 12,377,306 | 194,614 |
| San Francisco | 15,545 | 39,748 | 6,509,901 | 39,748 | 10,835,601 | 494,957 |
| Los Angeles | 434 | 4,651 | 3,690,063 | 6,903 | 5,047,838 | 132,353 |
| Seattle | 328 | 1,439 | 538,138 | 1,064 | 545,476 | 73,817 |
| San Antonio | 17 | 749 | 77,775 | 1,263 | 1,536,956 | 35,585 |

Changes in customs ports and stations.--Customs stations at Thayer and Zapata, Tex., and at Boundary, Wash., were abolished during the year, while stations were established at Progreso and Falcon Dam, Tex.; Cheboygan, Mich.; and Chaumont, N. Y. Sand Point, Alaska, was designated as a customs port of entry.

The limits of the ports of entry were extended to areas not previously covered at Tampa, Miami, West Palm Beach, and Port Everglades, Fla.; Baton Rouge, La.; Longview, Wash.; and Honolulu, T. H.

## Cost of administration

As the result of the Customs Simplification Act, together with other economy measures, the average number of customs employees in 1954 was 485 less than during the previous year as is shown in the following table.

| Operation | 1953 | 1954 | Percentage decrease (-) |
|---|---|---|---|
| Regulation customs operations: | | | |
| Nonreimbursable | 7,866 | 7,511 | -4.5 |
| Reimbursable[1] | 351 | 311 | -11.4 |
| Total regular customs employment | 8,217 | 7,822 | -4.8 |
| Export control | 324 | 234 | -27.8 |
| Total employment | 8,541 | 8,056 | -5.7 |

[1] Salaries reimbursed to the Government by those private firms who received the exclusive services of these employees.

Customs 1954 operating expenses totaled $41,143,258, including for the first time export control expenses. Such expenses, together with collections by type, are detailed by collection district in table 91. The table also shows the cost of collecting $100 of revenue. A summary of collections and expenditures by branch of service will be found in table 90.

## Management improvement program

The Customs Management Improvement Program in 1954 was directed primarily towards placing into effect improvements made possible by the Customs Simplification Act of 1953 (Public Law 243, approved August 8, 1953). One provision repealed previous restrictive statutory requirements relating to internal audit procedures and contributed to a major reduction in the volume of unliquidated formal entries on hand. A new "on-site" internal audit program was partially initiated during 1954 and will be expanded in 1955. This program replaces outmoded "desk" audit procedures.

Under other important provisions of the Customs Simplification Act, regulations have been issued to eliminate the requirement for importers to file amended entries to avoid the penalties for undervaluing imported merchandise; to admit automobiles owned by foreign residents free of duty as personal effects and without the registration previously required; to dispense with the collection of duties in many cases where the collection would entail expense and inconvenience incommensurate with the amounts of duties involved; to

permit the correction of inadvertent errors and mistakes by customs personnel adverse to the importer which, under prior laws, were sometimes impossible to correct without resort to a private congressional relief bill; to eliminate special and discriminatory marking requirements which frequently caused inexperienced importers heavy financial loss; to eliminate the notarization of customs documents; to simplify the records and documentation required for transfers of goods in customs bonded warehouses; and to effect many other changes, which collectively, will facilitate foreign trade, improve service to the public, simplify customs operations, and reduce operating costs.

Legislation to permit further simplifications to be made in customs procedures and requirements is contained in Public Law 768, approved September 1, 1954. The principal features of this legislation are to: Provide for the United States Tariff Commission to prepare revised and simplified schedules of tariff classification descriptions and rates of duty for further consideration; simplify the present rules for classifying nonenumerated articles; provide for the payment of duty only on the value of the repairs or alterations of certain metal articles returned to the United States; transfer injury investigations under the Antidumping Act of 1921 to the United States Tariff Commission, and modify the present retroactive application of dumping duties; modify and make uniform the tariff status of importations from insular possessions; exempt undocumented pleasure vessels from entry and clearance requirements; provide that cash may be deposited for estimated costs of overtime services of customs personnel in lieu of a bond; and increase the value of seized merchandise that may be summarily forfeited and disposed of from $1,000 to $2,500. Additional provisions to permit further simplifications will be submitted to the next Congress.

Organizational changes.--A program to consolidate, wherever feasible, the entry and liquidating activities and personnel in collectors' offices, which was instituted in the latter part of the fiscal year, will be completed in 1955. The purpose of this program is to obtain greater flexibility in the exchange of personnel between the two activities.

Administrative actions.--The examination of passengers' baggage has been reduced to the minimum consistent with the adequate enforcement of our laws, and substantial improvements have been made in the procedures for releasing merchandise exempted from duty as tourists' purchases but which arrive unaccompanied after the tourists have returned to this country. The possible extension of pre-flight customs clearance of air passengers at the last foreign point of departure for the United States is being given careful study.

Early in the spring of 1954 a group of experienced appraising officers successfully eliminated a backlog of approximately 160 foreign value inquiries pending in London, thus permitting appraisement and liquidation of about 8,000 entries previously held up. At the same time these men held forums in several industrial centers to acquaint British trading interests with United States customs laws and how they could help to expedite their shipments through United States Customs.

Collectors of Customs have been authorized to make refunds of excess payments of internal revenue taxes on imported merchandise, as well as of excess duties, in order to expedite the payment of such refunds to importers. Prior to this time, the two types of refunds were handled as separate transactions, one by Customs and one by the Internal Revenue Service.

Arrangements were completed with the Navy Department, Coast Guard, and Internal Revenue Service to discontinue the requirement for customs officers to supervise the lading of tobacco sea stores subject to internal revenue taxes withdrawn from sea stores warehouses for use on naval and Coast Guard vessels. Under the new arrangements, officers of these vessels have assumed the duties previously performed by customs officers in the lading and securing of these stores while the vessels are in port.

Simplified entry procedures have been instituted covering the temporary importations of air and water craft and vehicles in order to participate in sporting events. The new provisions authorize the entrance of such craft and vehicles on a simple touring permit when no money purses are to be awarded. Where money prizes are involved, entry requires a bond but without the usual surety or cash deposit to support it.

Vessel agents and operators were benefited by a consolidation of several customs forms used extensively in vessel transactions. One consolidated form now serves as (1) a permit to lade or unlade, (2) a request for permission to allow merchandise to remain on the wharf for more than 5 days without entry, and (3) a request for overtime services of customs officers.

Standards of acceptable marking of merchandise to indicate the country of origin so as to meet the requirements of the customs laws were prescribed for the guidance of importers and foreign exporters, as well as customs officers.

The documentation of merchandise moving under customs bond through the United States was changed so as to permit one document to be used for both manifest and entry purposes on merchandise arriving from Canada and Mexico in carload and single shipment truckload lots for shipment through the United States.

The requirements for the filing of entries were changed to allow importers the same period of time each year in which to qualify for reduced rates of duty on quota merchandise subject to rates of duty that change from a lower rate to a higher rate on fixed dates. Entries for this merchandise are now permitted to be accepted on a Saturday, Sunday, or legal holiday if the last day of the reduced rate falls on one of those days.

New methods were adopted for handling reports of inquiries concerning value or classification in the Customs Information Exchange which will result in a more expeditious appraisement of entries awaiting classification or appraisement as the result of the inquiries. In addition, procedures have been devised to permit a greater exchange of views among the appraising officers who are concerned with the same reports of inquiry.

Importers are now being furnished with prompt notice of proposed disagreement by appraising officers with the entered value or tariff rate when the proposed increase in duty exceeds $15.

The examination, classification, and release of cotton importations arriving at ports west of the Mississippi River have been expedited by the establishment of a new cotton examination district for that area at the port of Los Angeles. This has also relieved the heavy workload on the Boston, Mass., district where all cotton samples, except for those arriving at the port of New York, were previously handled.

Bank drafts, cashiers' checks, and uncertified checks are now accepted under certain conditions in payment of customs duties and other charges. Previously checks were required to be certified even though drawn for small sums.

In cooperation with the commercial airlines and the Air Traffic Conference of America, a special in-bond baggage check form was adopted to provide the carrier at the destination with a record which will facilitate an accounting to customs for the disposition of in-bond baggage.

Standards for the uniform assignment of inspectional personnel were issued to collectors of customs. The application of these standards has resulted in a more effective use of customs manpower.

Other management improvements.--Seasonal personnel are now being employed to replace full-time personnel at ports and stations (primarily along the Canadian border) where heavy tourist traffic during certain periods of the year makes this type of employment both feasible and economical.

In combating the smuggling of narcotics, special rewards are being offered to those who contribute information leading to narcotic seizures, and masters of vessels have been furnished with suggestions as to how they can assist in keeping their vessels free of narcotics and other smuggling activities. Also, in the fight against narcotic smuggling, reports of narcotic seizures are now being submitted on a month-to-month and year-to-year basis for use in evaluating and directing the activities of customs enforcement personnel.

More effective controls over exportations of merchandise subject to the various export control laws have been established by the use of special concentrated inspections and by the institution of training programs for the personnel employed in this activity.

Under the incentive awards program, 82 employee suggestions were adopted with the payment of awards amounting to $1,755. Several of these suggestions were for changes in legislation which were adopted in the Customs Simplification Act.

During the year, 16 forms were abolished and 7 forms consolidated, while only 5 new forms were adopted. Because of the many changes in procedure, 195 forms had to be revised.

Continuing progress in the program to dispose of obsolete, useless, and inactive records is reflected in the sale of 7,405 cubic feet of records and the transfer of 23,285 cubic feet of records to Federal records centers. The disposition of these records released 973 file cases, 1,125 transfer cases, and 12,939 square feet of floor space for reuse. The last of the comprehensive schedules required for the disposition of records maintained in customs field offices was prepared and presented to the congressional Committee on Records Disposal.

An aggregate of 60,282 square feet of space was reported as available for immediate release by customs field offices as the result of surveys conducted during the year.

Limitations placed upon the use of official automobiles, and the establishment of car pools in field offices, where feasible, brought about the disposition, by sale or transfer to other agencies, of 66 customs automobiles.

In order to comply with the intent of Congress expressed in Title V, Independent Offices Appropriation Act, 1952 (5 U.S.C. 140), fees were prescribed for the following services: Registering a house flag or funnel mark of a vessel; recording a trade-mark, trade name, or copyright; designating a common carrier as a carrier of customs bonded merchandise; approving establishment of a customs bonded warehouse; issuing a customs cartage or lighterage license; and issuing a customhouse broker's license.

## BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing designs, engraves, and prints currency, securities, postage and revenue stamps, Government checks, military commissions and certificates, and other engraved work for the various Government agencies, the Board of Governors of the Federal Reserve System, and insular possessions of the United States.

### Production

Deliveries of finished work during the fiscal year 1954 totaled 738,466,057 sheets, a decrease of 104,112,885, approximately 12.4 percent, as compared with the quantity delivered during the previous year. A comparative statement of deliveries of finished work in the fiscal years 1953 and 1954 follows.

Comparative statement of deliveries of finished work, fiscal years 1953 and 1954

| Class | Sheets 1953 | Sheets 1954 | Face value 1954 |
|---|---|---|---|
| Currency: | | | |
| United States notes | 3,596,667 | 2,403,333 | $164,712,000 |
| Silver certificates | 95,006,000 | 82,794,555 | 1,961,416,000 |
| Federal Reserve notes | 88,562,222 | 47,470,667 | 9,497,600,000 |
| Total | 187,164,889 | 132,668,555 | 11,623,728,000 |
| Bonds, notes, bills, certificates, and debentures: | | | |
| Bonds: | | | |
| Postal savings | 690 | 1,200 | 504,000 |
| Treasury, standard form | 792,625 | 1,222,860 | 45,624,395,000 |
| United States savings | 104,877,000 | 85,078,000 | 7,239,150,000 |
| Depositary | 1,000 | ............ | .............. |
| Consolidated Federal farm loan for the 12 Federal intermediate credit banks | 53,000 | 36,000 | 308,455,000 |
| Notes: | | | |
| Treasury, modified new design | 231,000 | 555,300 | 42,453,100,000 |
| Treasury savings, 1940 design: | | | |
| Series A | 3,300 | ............ | .............. |
| Series B | 282,000 | ............ | .............. |
| Series C | ............ | 107,000 | 7,483,300,000 |
| Treasury, registered, special series | ............ | 350 | .............. |
| Consolidated, Federal home loan banks, bearer | 20,000 | 29,500 | 650,000,000 |
| Other | 3,351 | ............ | .............. |
| Treasury bills: | | | |
| 1940 design | 1,331,000 | 1,316,700 | 99,137,000,000 |
| 1953 design | ............ | 149,300 | 1,239,000,000 |
| Certificates: | | | |
| Indebtedness, new design back | 502,620 | 788,800 | 51,590,000,000 |
| Special series | ............ | 500 | .............. |
| Interim transfer, postal savings bonds | ............ | 1,000 | .............. |
| Postal savings | 1,561,500 | 1,278,650 | 963,088,750 |
| Other | 761 | ............ | .............. |
| Debentures: | | | |
| Collateral trust of the Central Bank for Cooperatives | 11,900 | 10,860 | 166,000,000 |
| Consolidated collateral trust for the 12 Federal intermediate credit banks | 73,000 | 108,500 | 1,677,500,000 |
| Federal Housing Administration war housing insurance | 9,410 | 7,500 | 21,725,000 |
| Title I housing insurance fund | 1,500 | 4,500 | 2,887,500 |
| Housing insurance fund | 4,000 | 5,500 | 10,645,000 |
| Military housing insurance fund | 2,000 | ............ | .............. |
| National defense housing insurance fund | 2,000 | 1,000 | 3,822,500 |
| Mutual mortgage insurance fund | 1,450 | 2,000 | 2,935,000 |
| Specimens: | | | |
| Bonds | 418 | 72 | 113,475 |
| Notes | 31 | 10 | 36,000 |
| Treasury bills | 1 | 1 | 10,000 |
| Certificates | 8 | 7 | 5,000 |
| Debentures | 16 | 14 | 316,000 |
| Dummy layout of face of U.S. savings bonds, 1943 design, white ledger | ............ | 1,033 | .............. |
| Total | 109,765,581 | 90,706,157 | 258,573,988,225 |
| Stamps: | | | |
| Customs | 1,774,500 | 1,231,000 | ............. |
| Internal Revenue: | | | |
| To office of issue | 304,961,560 | 288,962,716 | 3,860,996,924 |
| Delivered for destruction | 488,387 | 197,996 | ............. |
| Specimens | 6 | ........... | ............. |
| Puerto Rican revenue | 1,470,683 | 1,823,354 | ............. |
| Virgin Islands revenue | 600 | ........... | ............. |
| United States war savings | 936,340 | 818,656 | 17,911,300 |
| Postage: | | | |
| United States (ordinary) | 216,235,976 | 171,357,385 | 707,359,872 |
| Specimens, United States | 9 | 9 | ............. |
| Canal Zone | 56,600 | 62,150 | 672,500 |
| Air mail | ........... | 7,988,837 | 63,855,401 |
| Commemoratives | ........... | 25,764,544 | 39,026,286 |
| Special delivery | ........... | 1,088,630 | 10,872,515 |
| Postage due | ........... | 1,795,232 | 18,422,144 |
| Special handling | ........... | 27,576 | 207,520 |
| D.C. beverage tax paid | 897,900 | 906,500 | 4,137,453 |
| Federal migratory bird hunting | 66,375 | 45,375 | 10,164,000 |

Comparative statement of deliveries of finished work, fiscal years 1953 and 1954--Continued

| Class | Sheets 1953 | Sheets 1954 | Face value 1954 |
|---|---|---|---|
| Foreign Service fee | 19,800 | 21,202 | $4,797,200 |
| Slaight lock seals | 17,408 | 40,000 | ............. |
| Total | 526,926,144 | 502,131,162 | 4,738,423,115 |
| Miscellaneous: | | | |
| Checks | 10,660,638 | 8,814,148 | ............. |
| Certificates | 1,809,714 | 1,815,197 | ............. |
| Commissions | 742,468 | 82,538 | ............. |
| Diplomas | 5,291 | 7,568 | ............. |
| Drafts | ............. | 4,000 | ............. |
| Government requests for transportation | 216,735 | 248,046 | ............. |
| Military payment orders | 15,000 | 5,000 | ............. |
| Specimens | 25 | 3 | ............. |
| Other miscellaneous | 5,272,457 | 1,983,683 | ............. |
| Total | 18,722,328 | 12,960,183 | ............. |
| Grand total | 842,578,942 | 738,466,057 | 274,936,139,340 |

## Finances

The Bureau operations are financed by reimbursements to a working capital fund authorized by law. A statement of income and expense for the fiscal year 1954 and comparative balance sheets as of July 1, 1953 and 1954 follow.

### Statement of income and expense for the fiscal year 1954

| | | |
|---|---|---|
| Engraving and printing: | | |
| Income from sales | | $30,332,117 |
| Less: Cost of goods sold: | | |
| Purchases of direct materials | $5,530,682 | |
| Decrease in inventory of direct materials | 26,459 | |
| Direct materials used | 5,557,141 | |
| Direct labor | 14,842,951 | |
| Manufacturing expenses (excluding depreciation and amortization | 7,190,161 | |
| Depreciation and amortization | 1,663,317 | |
| Total manufacturing costs | 29,253,570 | |
| Add: | | |
| Decrease in goods in process inventory | 446,929 | |
| Decrease in finished goods inventory | 127,292 | |
| Cost of goods sold | | 29,827,791 |
| Net income before nonoperating expenses | | 504,326 |
| Nonoperating expenses: | | |
| Loss on disposal of fixed assets | 432,529 | |
| Estimated theft loss | [1] 29,060 | |
| Total nonoperating expenses | | 461,589 |
| Net income from engraving and printing | | 42,737 |

Footnote at end of table.

**Statement of income and expense for the fiscal year 1954--Continued**

| | | |
|---|---|---|
| Operation and maintenance of incinerator and space utilized by other Treasury activities: | | |
| Income from services | $319,398 | |
| Less: Cost of services | 319,398 | |
| Net income from operation and maintenance of incinerator and space utilized by other Treasury activities | | -- |
| Card checks: | | |
| Income from sales | 713,322 | |
| Less: Cost of goods sold (purchase and related costs). | 713,322 | |
| Net income from card checks | | -- |
| Other direct charges for miscellaneous services: | | |
| Income from services | 74,644 | |
| Less: Cost of services | 74,644 | |
| Net income from miscellaneous services | | -- |
| Net income for the fiscal year 1954 | | [2]$42,737 |

[1] As of June 30, 1954, the net loss to the U. S. Government resulting from the theft of $160,000 in completed Federal Reserve notes by a Bureau employee was estimated to be $29,060. At a later date, the net loss was determined to be $25,790; adjustment of difference will be reflected in the accounts during fiscal 1955.

[2] In accordance with the act approved August 4, 1950 (31 U.S.C. 181(a)), net income will be deposited into the general fund of the Treasury as miscellaneous receipts during fiscal year 1955.

Comparative balance sheets, June 30, 1953 and 1954[1]

| Assets | June 30, 1953 | June 30, 1954 |
|---|---|---|
| Current assets: | | |
| Cash with U. S. Treasury | $5,079,123 | $3,854,848 |
| Accounts receivable | 2,345,046 | 1,626,259 |
| Inventories: | | |
| Finished goods | 1,330,742 | 1,203,450 |
| Goods in process | 3,074,453 | 2,627,524 |
| Raw materials | 1,064,136 | 1,037,677 |
| Stores | 1,222,036 | 1,273,010 |
| Prepaid expenses | 55,184 | 88,986 |
| Total current assets | 14,170,720 | 11,711,754 |
| Fixed assets:[2] | | |
| Plant machinery and equipment | 14,258,116 | 15,538,684 |
| Motor vehicles | 56,631 | 56,348 |
| Office machines | 113,379 | 117,779 |
| Furniture and fixtures | 463,890 | 478,236 |
| Dies, rolls, and plates | 3,955,961 | 3,955,961 |
| Building appurtenances | 278,787 | 438,846 |
| Fixed assets under construction | 407,398 | 289,158 |
| | 19,534,162 | 20,875,012 |
| Less portion charged off as depreciation | 2,880,101 | 3,328,151 |
| Total fixed assets | 16,654,061 | 17,546,861 |
| Deferred charges | 152,103 | 155,129 |
| Total assets | 30,976,884 | 29,413,744 |

Footnotes at end of table.

Comparative balance sheets, June 30, 1953 and 1954[1]--Continued

| Liabilities and investment of the United States | June 30, 1953 | June 30, 1954 |
|---|---|---|
| Current liabilities: | | |
| Accounts payable | $496,267 | $431,417 |
| Accrued liabilities: | | |
| Payroll | 2,536,719 | 1,325,061 |
| Accrued leave | 1,683,915 | 1,617,636 |
| Other | 33,581 | 75,196 |
| Trust and deposit liabilities | 798,646 | 638,495 |
| Other liabilities | 708 | 32,272 |
| Total liabilities | 5,549,836 | 4,120,077 |
| Investment of the United States Government | | |
| Principal of the fund: | | |
| Appropriation from United States Treasury | 3,250,000 | 3,250,000 |
| Donated assets, net | 22,000,930 | 22,000,930 |
| Total principal | 25,250,930 | 25,250,930 |
| Earned surplus | [3] 176,118 | [3] 42,737 |
| Total investment of the United States Government | 25,427,048 | 25,293,667 |
| Total liabilities and investment of the United States Government | 30,976,884 | 29,413,744 |

[1] Balance sheets as of the close of both fiscal years have been adjusted to reflect in transit items on a basis consistent with the central accounts maintained by the Bureau of Accounts, Treasury Department. The balance sheet as of June 30, 1953, has been further adjusted to reflect inventories, prepaid expenses, and deferred charges on a basis consistent with the revised format utilized in presenting the balance sheet as of June 30, 1954.

[2] Fixed assets acquired prior to July 1, 1950, are capitalized at appraised values (estimated replacement cost as of July 1, 1951, reduced to recognize the depreciated condition of the assets being capitalized); subsequent additions have been capitalized at cost, except that on and after July 1, 1951, all costs of manufacturing dies, rolls, and plates have been charged to current operations.

The act approved August 4, 1950 (31 U.S.C. 181(a)), which established the Bureau of Engraving and Printing Fund, specifically excluded from the assets of the fund the land and buildings occupied by the Bureau. In accordance with the Comptroller General's decision of October 4, 1951 (B-104492), however, replacements of building facilities and improvements to buildings made on and after July 1, 1951, have been financed by the fund. Such items of significant dollar amounts have been capitalized at cost and appear in the foregoing balance sheets under the caption "Building appurtenances."

[3] Earned surplus arises through billing for products at unit prices established prior to the development of actual costs. Section 2(e) of the act of August 4, 1950, requires that any surplus accruing to the revolving fund during any fiscal year be deposited into the general fund of the Treasury as miscellaneous receipts during the ensuing fiscal year, provided that such surplus may first be applied to offset any deficit resulting from operations in prior years. Net earned surplus in the amount of $176,118 was deposited into the general fund during the fiscal year 1954; surplus amounting to $42,737, which accrued during fiscal year 1954, will be returned to the Treasury during fiscal 1955.

## Improvements in organization and management

Organizational changes.--During the fiscal year 1954, the plans for reorganization which were described in the 1953 annual report were carried out. These changes have resulted in improved administration and more efficient operations through reduction in the number of separate divisions and offices reporting to top management and through proper functional alignment of closely related activities. In addition, plans were completed for the establishment, to become effective on July 1, 1954, of a new Disbursement Section in the Office of Administrative Services, to perform the function of disbursement for this Bureau.

Management improvements.--From March 15 through June 15, 1954, a comprehensive survey of the Bureau was conducted by the Methods Engineering Council of Pittsburgh, Pa., with a view to effecting overall management improvements. A report of findings and recommendations had not been received as of the close of the fiscal year.

Participation by all organizational components in resolving recommendations made by the Internal Audit Section on Bureau operations has resulted in a stronger system of internal control, improved procedures, elimination of duplicate and unnecessary records, prompt financial reports, reduced operating costs, and correction of deficiencies in organizational structures and flow of work within divisions and offices.

An active program was carried out in fiscal 1954 to strengthen the security program in the Bureau. In addition to an investigation made by a 17-member subcommittee especially designated for that purpose and another made by the Bureau Security Officer, an extensive independent survey was conducted by the United States Secret Service. An evaluation of recommendations based on these survey findings is in process and improved security measures are expected to result.

Operational improvements

The overall management improvement program carried out in the Bureau of Engraving and Printing during this period centered on the projects described below. Recurring annual savings are estimated to amount to $1,792,671. In addition, a number of subsidiary and interrelated changes resulted in better supervision, improved flow of work, more effective services, and other advancements which cannot be assessed in terms of money.

18-subject currency program.--By September 1953, all currency being produced in the Bureau was printed from 18-subject currency plates. There were, however, numerous changes in methods and conditions resulting from this program during the year. For instance, it was necessary to finish deliveries of work in process of the 12-subject stock. In addition, the old type of rotary overprinting presses, which could not be converted to the 18-subject printings, were supplanted by new rotary typographic presses for the overprinting operation. All the new overprinting presses were in operation by April 1954. During the conversion period there was a constant need to revise procedures to meet production needs under the new method of printing. Recurring annual savings for this project were reported for the fiscal year 1953.

Printing.--The most significant savings in printing methods were realized through the installation of automatic feeders on intaglio presses. The program to convert the feeding mechanism on the plate printing presses to a wholly automatic system was started in July 1953, and was completed by June 22, 1954. The principal saving from this change came about through the reduction in force of an assistant at each press. On an annual basis the saving will amount to approximately $835,315.

The use of mill wet paper for currency was adopted as standard procedure during the past fiscal year, after about six months experimentation. Use of this paper eliminates a hand count of paper after this operation, and has reduced the number of employees formerly needed. Estimated annual savings from this innovation are $359,264.

Following a study of the possibility of printing savings bonds by the offset process, the Treasury Department announced a change-over to the offset method of printing Series E bonds of the $25 denomination. The offset method of printing is faster and

less expensive, resulting in savings of about $446,454 on an annual basis.

Mechanical innovations.--Counting machines were introduced in the overprinting section of the Surface Printing Division during the year. These machines are actuated by vacuum, and were imported from England. Three additional machines are on order. Savings from the two machines being used at the present time will amount to $10,159 on a recurring annual basis.

Three electronic counting machines which were obtained from surplus were modified so that they could count full-sized notes. The machines are being used to count stock for mutilation. It is anticipated that reductions in force as a result of the use of these machines will result in recurring annual savings of approximately $18,000.

A new automatic package wrapping machine was put into operation in December 1953, for the mechanical wrapping of packages of postage stamp sheet work. As a result of this installation, 17 wage level-1 positions were declared surplus, with a net annual saving of approximately $40,000 and, in addition, an improved package has been developed. Also during this period, two eight-headed stitching machines were installed.

Procedural improvements

There has been an unusually heavy workload in the manufacturing of plates during the fiscal year 1954, resulting from the introduction of 18-subject printing of currency. During this time there have been a number of changes which have improved working conditions, the quality of the plates and the speed of processing, although no identifiable monetary savings resulted. Some of the improvements are briefly described as follows: Use of a working table fitted with a ''down draft'' has been ordered in the offset plate manufacturing processes which involve the use of harmful chemicals; working areas in the photolitho section have been rearranged so that there is a smooth flow of work; and a new air hoist was installed to lift engraved plates into and out of the cyanide and quenching tanks during the hardening process, thus replacing manual lifting.

Elimination of printed matter on the inside of postage stamp book covers has reduced the cost of printing the covers by 50 percent, and made a net annual saving of approximately $15,000.

During the year a review was made by the Bureau of Engraving and Printing in collaboration with representatives of the General Accounting Office and the Bureau of Accounts, Treasury Department, of the Bureau's accounting system, with special emphasis on cost accounting, in an attempt to develop simplifications in some of the procedures and provide more meaningful and timely financial data. The revised procedures were put into effect on July 1, 1954. It is believed that their adoption will simplify the Bureau's cost accounting methods and procedures, as well as facilitate the analysis of cost data and expedite the preparation of cost reports for the level of management responsible for their control.

Under a system adopted by the Internal Revenue Service, the District Directors send their requisitions for stamps directly to the Bureau instead of sending them to the Commissioner of Internal

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Revenue for consolidation, as was the previous practice. The new system eliminates the need in this Bureau to analyze the orders and rearrange them by class of stamps and then reassemble them in the packing operation by ordering offices. Some simplification has been effected and the orders have been expedited to the field.

The activities of the Materials Handling Committee, which was established in January 1953, resulted in a number of procedural improvements during the current year. One of the major studies of this committee was the revision of specifications for skids. This has resulted in greater efficiency, economy, and safety in materials handling.

Cartons are used exclusively for shipping postage and revenue stamps. A continuing program of improvement of cartons and sealing materials has been carried forward during the year. Several in-between sizes were introduced which decrease the amount of filler necessary when small amounts would be shipped in the standard larger size of carton. New experimental cartons and packages were made and tested, including a dip type transparent coating for packages.

A number of personnel utilization studies were made during fiscal 1954 in all the offices and division of the Bureau. In general, these studies arise from revised procedures incident to major technical changes, and as a result of the annual audit of positions by the wage and classification staff. Management improvement committees in the various offices also contribute some studies. The changes resulting from these studies brought about annual savings of $59,325.

Industrial relations activities

The total number of employees on the rolls at the beginning of the fiscal year was 5,614. Because of a large scale reduction-in-force program resulting from operational improvements and fewer program requirements for the ensuing fiscal year, the number of employees on the rolls as of June 30, 1954, was reduced to 4,701.

Wage adjustments affecting 1,296 employees in approximately 95 craft and noncraft job categories, amounted to an annual increased cost of $157,295.84. Generally, the pattern of wage adjustments beginning early in 1953 changed from across-the-board cost-of-living increases to a realignment of rates to compare more closely with rates paid in private industry.

Employees were given more recognition and awards in fiscal 1954 than in any previous year, with emphasis being placed on the superior accomplishment, efficiency, and honor award programs. Estimated annual savings from employee suggestions will amount to $9,154 on a recurring annual basis.

A program was continued from the previous fiscal year to reduce absenteeism. This resulted in lowering the percentage rate for unscheduled absences by 21 percent, which amounts to a saving of 2,694 man-days over the number of days reported last year. This program has been established on a permanent basis as a means of preventing absenteeism from becoming a serious problem.

The training section of the Office of Industrial Relations developed several programs for supervisory training consisting of twelve two-hour conferences, films, and case studies. Four complete training programs were given, two for supervisors of the Examining Division who were serving as acting supervisors and two for experienced supervisors. On-the-job training was also provided for employees in several specific areas.

Fiscal 1954 showed the best record for safety thus far attained in this Bureau with a lowering in the frequency rate[1] from 11.74 in 1953 to 11.21 in 1954. This meant that there were thirty fewer lost time accidents in 1954 than in 1953. This was brought about by several means. Numerous safety hazards were eliminated; classes in safety training were conducted for approximately 200 supervisors; 65 employees of the transportation unit completed safety training with the result that there were no accidents in this group in 1954 as compared with 4.25 in 1953; the "Safety Newsletter" was published periodically to give recognition to successful application of safety rules; first aid training classes were conducted continuously with the goal of training ten percent of the Bureau's personnel for civil defense; and fire fighting and civil defense information was made available to all storekeepers who maintain flammable materials in their storerooms.

Long range research program

Much of the future advancement in printing processes in the Bureau depends upon the successful development of suitable printing inks. For the past year numerous studies have been made to develop heat-set inks and to refine the formulas which could be used in dry printing. These inks are being tested on the web-fed and sheet-fed rotary experimental presses. A broad field of synthetic materials is also being explored in connection with the development of inks for these presses. As a result of this research, several production jobs were run using dry printing processes during fiscal 1954. Further experimentation will be continued to perfect the dry printing techniques and to improve the operation of the experimental presses.

Pregummed paper was first used successfully during this fiscal year in the dry intaglio printing of the bicolor eight-cent Statue of Liberty postage stamp. Previous attempts to accomplish this had met with failure. The success achieved in this printing led to the printing of the $2.00 migratory bird hunting stamp on dry, pregummed paper.

Shortage of $160,000 in Bureau stock

On January 4, 1954, at approximately 9:20 a.m., two of the employees of the currency overprinting section, Surface Printing Division, who were engaged in unloading wrapped packages of currency from skids and placing them in bins in the vault, discovered that two of the packages were light in weight. These two packages bore labels indicating that each contained 4,000 New York Federal Reserve notes of the twenty dollar denomination.

[1] The number of disabling injuries per 1,000,000 man-hours worked.

An audit was undertaken immediately by the internal audit staff of all currency in the currency overprinting section. About 12 hours later, when the audit was completed, it was determined that there was an actual shortage of two packages of twenty dollar notes, aggregating 8,000 notes, having a total value of $160,000. The 8,000 notes in question were in completed form, similar in all respects to notes in circulation. Of this amount, $134,210 has been recovered.

Following the determination of the shortage the investigation was continued by the United States Secret Service.[1] An employee of the Bureau was apprehended and, upon admission of his guilt, was dismissed from the rolls and prosecuted.

New issues of stamps

Orders were received and dies were engraved for new issues of postage stamps as follows:

| Issue | Denomination (cents) |
|---|---|
| American Bar Association, Commemorative, Series 1953 | 3 |
| Sagamore Hill, Home of Theodore Roosevelt, Commemorative, Series 1953 | 3 |
| Future Farmers of America, Commemorative, Series 1953 | 3 |
| General George S. Patton, Jr., Commemorative, Series 1953 | 3 |
| 300th Anniversary of New York City, Commemorative, Series 1953 | 3 |
| 50th Anniversary of the Trucking Industry, Commemorative, Series 1953 | 3 |
| 100th Anniversary of the Gadsden Purchase, Commemorative, Series 1953 | 3 |
| Columbia University, Commemorative, Series 1954 | 3 |
| Nebraska Territorial, Commemorative, Series 1954 | 3 |
| Kansas Territorial, Commemorative, Series 1954 | 3 |
| George Eastman, Commemorative, Series 1954 | 3 |
| Lewis and Clark Expedition, Commemorative, Series 1954 | 3 |

Other new issues of stamps produced during the year include the two dollar Federal migratory bird hunting stamp, Series 1954-55. Orders were received and new plates were made for Puerto Rican bottle strip stamps for spirits, Series 1953, in a denomination of ''Menos De 1/2 Pinta'' (less than 1/2 pint) printed in Spanish.

## FISCAL SERVICE

The Fiscal Service consists of the Office of the Fiscal Assistant Secretary, the Bureau of Accounts, the Bureau of the Public Debt, and the Office of the Treasurer of the United States. Their operations are under the general supervision of the Fiscal Assistant Secretary.

The Fiscal Assistant Secretary, under the direction of the Under Secretary for Monetary Affairs, administers the financing operations of the Treasury and through the Commissioner of Accounts supervises the administration of accounting functions and activities of all units of the Treasury Department. It is the duty of the Fiscal Assistant Secretary to maintain liaison with the other departments, agencies, and branches of the Government with respect to their financial operations and to coordinate such operations with those

[1] Further information is included in the report of the United States Secret Service.

of the Treasury. The accounting aspect of this work is carried out through the Commissioner of Accounts under the joint accounting improvement program of the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Comptroller General of the United States in accordance with the Budget and Accounting Procedures Act of 1950.

The Fiscal Assistant Secretary prepares estimates of the future cash position of the Treasury for use of the Department in its financing; supervises the cash position of the Treasury and the distribution of funds between the Federal Reserve Banks and other Government depositaries; prepares calls for the withdrawal of funds from the special depositaries to meet current expenditures; directs fiscal agency functions in general; and is responsible for the administration of Treasury regulations governing the purchase, custody, transfer, and sale of foreign exchange acquired by the United States under various executive agreements with foreign governments in connection with United States programs operated abroad.

The several responsibilities of the Fiscal Assistant Secretary are indicated more fully in the operations detailed in the following reports by the Commissioner of Accounts, the Commissioner of the Public Debt, and the Treasurer of the United States.

## BUREAU OF ACCOUNTS

### Accounting, Reporting, and Related Matters

Central reporting and accounting changes

Changes in the reporting of the receipts and expenditures of the Government were made in February 1954; they were adopted in the interest of providing more effective budgetary control and better public understanding of Government operations. On February 17, 1954, a joint statement was issued by the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Comptroller General of the United States which explained the nature of the changes and their purposes (exhibit 70). A new budgetary statement, the "Monthly Statement of Receipts and Expenditures of the United States Government" has been developed and the content of the "Daily Statement of the United States Treasury" was revised to become a statement of cash deposits and withdrawals affecting the general account of the Treasurer of the United States.

An important objective of the new reporting system is the establishing of the "Monthly Statement of Receipts and Expenditures of the United States Government" as the key statement with which all other Government reports relating to receipts and expenditures should be consistent. These reports include the "Budget of the United States Government," prepared in the Bureau of the Budget; the "Combined Statement of Receipts, Expenditures and Balances of the United States Government," (in detail by appropriations and funds) the "Annual Report of the Secretary of the Treasury on the State of the Finances," and the monthly "Treasury Bul-

letin," which are prepared in the Bureau of Accounts; and other reports of Government agencies showing cash receipts and expenditures prepared for use of the Government and the public.

Another important objective is to provide for the integration of agency-Treasury data on the common basis of cash transactions. This integration involves the establishment of procedures for the reconciliation of the receipts and expenditures of agencies with the changes in the Treasury's cash balance and the public debt outstanding through the use of such factors as outstanding checks, undeposited collections, deposits in transit, and cash held by fiscal officers outside the Treasurer's account. The Comptroller General of the United States has an important role in the new reporting system in that the reliability of the data submitted to the Treasury will be tested by the General Accounting Office in the course of its audit activities.

The content of the monthly and daily statements is summarized in the paragraphs which follow. The change in the daily statement took place in the issue of February 17, 1954, and the first monthly statement covered the period from July 1, 1953, through February 28, 1954. The monthly statement is published regularly as of the end of each month and is released in the middle of the month following. The monthly statement for the complete fiscal year published in mid-July is preliminary and is followed by a final statement after all disbursing and collecting offices' accounts, including those from overseas, have been received. On February 17, 1954, the Treasury issued Department Circular No. 940, which requires the submission of reports from all Government disbursing officers (exhibit 71).

"Monthly Statement of Receipts and Expenditures of the United States Government."--Budget receipts and expenditures and surplus or deficit are shown in the new monthly statement, on the basis of reports to the Treasury by collecting and disbursing agencies throughout the Government. Receipts are reported on a collection basis or on the basis of confirmed deposits in Treasury accounts. Expenditures are reported on a uniform basis of checks issued and cash payments by disbursing officers. In addition to the transactions in the general account of the Treasurer of the United States, this statement shows receipt and expenditure transactions consummated outside the account of the Treasurer.

A summary shows cumulative budget receipts and expenditures and surplus or deficit in the current fiscal year, the annual totals for the three immediately preceding years, and current budget estimates. As of the end of each of these periods there are shown the public debt outstanding and the balance in the general account of the Treasurer of the United States.

A new feature of the statement shows currently the actual budget receipts and expenditures compared with the President's program as modified by the Congress. This affords users of the statement a means of following the trend of actual as against planned expenditures and estimated receipts.

For the first time the transactions of the Post Office Department are being included in reports on receipts and expenditures (including budget results) on the same basis as other Government agencies. This was made possible by the accounting and reporting

improvements being installed in the Post Office Department. Also, the basis for reporting internal revenue receipts of withheld income, employment, and excise taxes has been improved.

"Daily Statement of the United States Treasury."--The new form of the daily Treasury statement shows as recorded each day in the general account of the Treasurer of the United States classified deposits and withdrawals; gold, silver, funds on hand and on deposit, and certain direct liabilities; and the closing cash balance. Deposits are on the basis of confirmed certificates of deposit credited and withdrawals on the basis of paid checks charged in the general account of the Treasurer of the United States.

In addition, there are shown the effect of the day's operations on the public debt, changes in the public debt, and total sales and redemptions of United States savings bonds. The last issue of the month includes also a detailed statement of public debt receipts and expenditures for the month and the fiscal year to date with comparative data for the year preceding; and statements of the public debt and the guaranteed obligations of the United States outstanding as of the end of the month.

The daily Treasury statement is regularly compiled in the Office of the Treasurer of the United States. The Bureau of Accounts provides special data required for the compilation and technical supervision.

Purposes of the monthly and daily statements.--In general, the "Monthly Statement of Receipts and Expenditures of the United States Government" was designed for those who have responsibility for, or an interest in, the execution of the Government's financial program, and the impact of such operations on the economy. The "Daily Statement of the United States Treasury" is the primary source of data on the cash flow of Federal funds and is designed to meet the requirements of those who have responsibility for the management of or immediate interest in the cash position of the United States Treasury, and the management of the public debt. The Treasury Department uses both the monthly and daily statements in managing the cash position, in managing the public debt, and in estimating the revenues.

Reporting economies.--Printing of the "Daily Statement of the United States Treasury" and the "Monthly Statement of Receipts and Expenditures of the United States Government" by the offset process in fiscal 1954 cost $24,000. This compared with the cost in fiscal 1953 of $73,000 for printing all issues of the daily Treasury statement by letter press.

As another economy measure, the "Digest of Appropriations," which the Treasury Department had published for 81 years, was discontinued. The last issue covered the appropriations by Congress for the fiscal year 1954.

Plans and progress.--Considerable ground work had been laid in earlier stages of the Joint Accounting Program of which the new reporting and accounting changes are a part. (For policy and objectives of the program, see Annual Report of 1949, p. 344.) Concepts had been developed concerning the basis for a central accounting and reporting system. Procedures for making funds available for disbursing and accounting for receipts had been greatly simplified through virtual elimination of the warrant system. The

basis had been established for fundamental accounting improvement, and the organization of the Bureau of Accounts had been realigned to establish in the Treasury the necessary operating center for consolidation of accounting results. An important contribution had been made by the individual Government agencies in improving their accounting and reporting under standards and principles conforming to the overall pattern.

In the realigned Bureau of Accounts (Annual Report for 1953, p. 106), work is proceeding simultaneously toward two interdependent aims: the improvement of central financial reports and the reorganization of the central accounting and related procedures of disbursing and collecting agencies of the Government. The reporting improvements put into operation in 1954 are only the first phase of the reporting program, however, and much remains to be done in perfecting the reporting changes and in coordinating agency-Treasury accounts. Further progress in central reporting will depend largely upon progress in the central accounting plan.

The central accounting plan as currently formulated encompasses the receipts, expenditures, and cash operations of the Government. It consists of many interrelated parts, which, taken together, will result in a major revision of the accounting system. During the fiscal year 1954, principles were established and certain details were worked out. The main features were published in Department Circular No. 945, dated May 11, 1954 (exhibit 72). The following simplifications and procedures were established in 1954.

Under this circular and by authority of Joint Resolution No. 4, Accounting Systems Memorandum No. 34 was issued by the General Accounting Office to eliminate as of July 1, 1954, the requirement that disbursing officers render accounts showing balances of individual appropriations and funds. This resulted in substantially simplifying, in certain areas, procedures concerning transfers of funds and related accounting, and in eliminating the settlement officers' accounts of the Department of Defense.

Procedures developed in 1953 for the maintenance of checking accounts by disbursing stations rather than by incumbent disbursing officers were put into operation during 1954. This reduces the number of accounts required to be maintained by the Treasurer of the United States and avoids the necessity of destroying blank check stock because of turnover in officers at a given station. (Department Circular No. 926, dated June 30, 1953; see Annual Report for 1953, p. 307.)

In addition, other procedures were adopted for current adjustment in the accounts of disbursing officers of the amounts receivable or payable due to discrepancies in amounts of checks issued.

Steps were taken also to eliminate certain checking accounts including 51 accounts of the Division of Disbursement for certain Government corporations and business-type enterprises; 64 accounts for the Internal Revenue Service incident to the transfer of disbursing activities from District Directors of Internal Revenue to the Division of Disbursement, and 7 accounts of the Post Office Department. The activity in all the eliminated checking accounts was merged in others.

A further simplification was made by requiring agencies under the central disbursing system to deposit their collections for credit to the account of the Treasurer of the United States directly in

Federal depositaries rather than through disbursing officers. This new procedure was provided for in Department Circular No. 937, dated January 18, 1954 (exhibit 73).

Other Government accounting and procedural matters

Accounting systems and procedures.--Work in the field of accounting systems and procedures continued during the year. Technical assistance and guidance to the various bureaus and offices of the Treasury Department ranged from the solution of special accounting and reporting problems to major revisions in accounting systems--all with a view to greater efficiency, economy, and usefulness of accounting results. In addition, the Bureau participated actively with the General Accounting Office and the Bureau of the Budget in the Government-wide program to improve accounting, reporting, and related fiscal procedures under the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 66-66c).

Internal auditing in the Treasury Department.--In accordance with the regulations issued June 24, 1953 (Department Circular No. 924, Annual Report for 1953, p. 308), all Treasury bureaus had established internal audit units by the end of the fiscal year. The first report concerning the results of internal auditing in the Treasury, which covered the period July 1 through December 31, 1953, was made to the Secretary of the Treasury on March 8, 1954. The report indicated generally satisfactory progress in establishing an adequate audit system for the Department.

Control of foreign currencies.--Measures to strengthen control over the use and administration of certain foreign currencies acquired by the Government without purchase with dollars were taken early in the fiscal year. The United States acquires substantial amounts of foreign currencies from foreign governments in connection with various economic, technical assistance, and military programs, and with respect to agreements for the settlement of debts (lend-lease, surplus property, and reparations). Before July 1, 1953, executive departments and agencies generally had been permitted in substantive legislation to use most of these currencies without charge to their dollar appropriations either as a substitute for or as a supplement to such appropriations.

The act of July 15, 1952, Sec. 1415 (66 Stat. 662), provided that after June 30, 1953, agencies of the United States could no longer expend foreign currencies belonging to the United States except as provided for annually in appropriation acts. This legislation was implemented by the act of August 7, 1953, Sec. 1313 (67 Stat. 438) which requires executive departments and agencies, with a few exceptions, to reimburse the Treasury in dollars for the foreign currencies they use. To carry out the provisions of the new law the President issued Executive Order No. 10488, dated September 23, 1953. This order provided for the issuance of regulations by the Secretary of the Treasury governing the purchase, custody, transfer, or sale of foreign exchange by the United States.

Accordingly, Treasury regulations were drafted in collaboration with the Bureau of the Budget, the General Accounting Office, and departments and agencies administering foreign programs and were issued on October 19, 1953, effective December 1, 1953, as Department Circular No. 930. These regulations provided for

transfer of department and agency foreign currency balances as of November 30, 1953, into Treasury custody and the flow of future collections through Treasury accounts, and established requirements with respect to withdrawals from Treasury accounts, limitations on purchases and amounts of holdings, the use of foreign depositaries, and accounting for the currencies (exhibit 74).

Experience under the regulations has proved their effectiveness. The Treasury knows for the first time, from official accounts of disbursing officers, the amounts of foreign currencies acquired without purchase for dollars and owned by the Government; and also their disposition, both the amounts sold to Government departments and agencies for dollars and the amounts requisitioned by departments and agencies pursuant to law without reimbursement to the Treasury. The Treasury is able to identify excess currencies and initiate action for their maximum use. From December 1, 1953, through June 30, 1954, the seven months of the fiscal year 1954 during which the Treasury had custody of all foreign currencies acquired by the United States without purchase for dollars, sales of currencies for dollars to departments and agencies amounted to the equivalent of $247 million. This compared with foreign currencies equivalent to $55 million sold for dollars in the first five months of the fiscal year, before the Treasury assumed custody. The reports on foreign currencies compiled since the Treasury Department took control of the currencies on December 1, 1953, are shown in tables 113 and 114.

Department Circular No. 799, dated December 27, 1946, pertaining to foreign currencies arising from surplus property and lend-lease settlements, was revised October 19, 1953 (exhibit 75), to conform to Department Circular No. 930.

## General Operations and Management Improvement

The operations and management improvements of the Bureau during the fiscal year are summarized as follows:

### Federal depositary system

Government depositaries provide the various departments and agencies with certain banking and financial services other than those provided by the Office of the Treasurer of the United States and the Mint. In addition to the Office of the Treasurer of the United States and the 12 Federal Reserve Banks and their branches, the depositaries consist of more than 11,000 commercial banks designated by the Secretary of the Treasury. The supervision of the depositaries, under the general direction of the Fiscal Assistant Secretary, is exercised through the Bureau and is administered through Department regulations governing the authority, qualifications, and other requirements applicable to the depositaries. The Bureau also supervises the procedures for the deposit in depositaries for Federal taxes of certain income and excise taxes, and withheld taxes collected for old-age insurance and for railroad retirement.

In their role as principal fiscal agents of the United States Government, each of the Federal Reserve Banks maintains an operating account in the name of the Treasurer of the United

States. Ultimately, nearly all Government receipts are credited in these accounts and from them nearly all payments are made. Before taxes received by depositaries for Federal taxes and proceeds from sales (on original issue) of public debt securities go into the Federal Reserve Banks they flow through the "tax and loan" accounts of the Treasury which are maintained as demand deposits in the special depositary banks throughout the country. In effect, the balances in these accounts together constitute the greater part of the general fund of the Treasurer of the United States.

In managing the cash position of the Treasury, decisions must be made on the amount and timing of the withdrawals of funds needed for current Government expenditures. When the amounts to be withdrawn have been determined, the Office of the Fiscal Assistant Secretary notifies the Federal Reserve Bank of the amounts in terms of percentages of balances in the tax and loan accounts. The Federal Reserve Bank in turn notifies the depositary banks and credits the amounts remitted to the Bank's general account with the Treasurer of the United States. (These calls usually are made semiweekly on the depositaries with balances of $150,000 or more, referred to as group "B banks," and biweekly or monthly on those with smaller balances, known as "A banks.")

This system of gradually transferring funds from the secondary accounts in the depositary banks to the Federal Reserve Banks and thence into circulation as Government expenditures precludes the accumulation of idle funds in the Reserve Banks, keeps the funds in the local communities of their origin as long as possible, and minimizes or prevents the disturbance to bank reserves and the money and security markets which otherwise would occur if the vast funds were withdrawn and deposited in the Reserve Banks immediately.

A statement by the Secretary of the Treasury on the keeping of Government deposits in banks which was made before the Joint Committee on the Economic Report on February 2, 1954, appears as exhibit 56.

A significant change in procedure took place in the fiscal year 1954 which affected Treasury depositaries. This provided for elimination of the central processing of daily transcripts of 600 general depositaries and simplified related operations in the Office of the Treasurer of the United States. The new procedure, provided for in the Seventh Amendment, dated April 26, 1954, to Department Circular No. 176, dated December 21, 1945, as amended (exhibit 76) and Fiscal Memorandum No. 14, dated April 26, 1954, was scheduled to be in full operation by the end of September 1954.

Disbursement operations

Through its Division of Disbursement, the Bureau makes payment of obligations and Federal benefits for all departments and agencies of the executive branch of the Government except for the Department of Defense, the Post Office Department, the United States marshals, the Panama Canal, and certain corporations. Disbursements are made from appropriated, trust, and special deposit funds; substitute checks are issued as replacements for checks lost, destroyed, stolen, or mutilated after issuance by disbursing officers of the

Government; and United States savings bonds are issued to Federal employees under the payroll savings plan. The Division through the use of its mechanical equipment and facilities which produce checks also prepares payrolls, vouchers, and record cards for the agencies for which payments are made. During fiscal 1954, collections by the civilian departments and agencies were received, deposited, and accounted for, which under the direct deposit procedure mentioned under central accounting and reporting will in the future be deposited directly in depositaries by these departments and agencies.

These services were provided by the Division during the fiscal year through 22 regional disbursing offices in the continental United States; and offices in Juneau, Alaska; Honolulu, Hawaii; San Juan, Puerto Rico; and Manila, P.I. Disbursing and related functions were performed for over 1,900 central and field offices of more than 40 Government departments, agencies, and corporations.

Material savings in operating costs were made through further improvement in mechanical processes and streamlining of procedures, carried out under the management improvement program.

The number of payments, collections, and savings bonds issued by the Division of Disbursement during the last two fiscal years were as follows:

| Classification | Number | |
|---|---|---|
| | 1953 | 1954 |
| Payments | | |
| Social security | 57,895,321 | 68,666,641 |
| Veterans' benefits | 63,963,834 | 65,294,935 |
| Veterans--National service life insurance dividend | 3,877,925 | 4,868,977 |
| Income tax refunds | 33,197,128 | 32,491,827 |
| Other | 31,437,362 | 27,866,026 |
| Collections | 6,658,509 | 5,276,825 |
| Savings bonds issued to Federal employees under payroll savings plan | 2,570,551 | 2,512,771 |
| Total | 199,600,630 | 206,978,002 |

## Government losses in shipment claims

Allied with the operations of Government depositaries in providing Government financial services is the self-insurance plan whereby the Government assumes the risk on its shipments of valuables, including money, bullion, and securities, while in transit between the Treasury, or between officials of the Government departments and agencies, and depositaries. The plan, effective July 1, 1937, which was established by the provisions of the Government Losses in Shipment Act (5 U.S.C. 134-134h), and which supplanted contracts with private insurance companies, is administered by the Treasury Department. The Bureau of Accounts is responsible for payment of claims under the act, receives from Government departments and agencies consolidated reports of their shipments made under coverage of the act, and prepares statistical analyses of the operation of the plan.

Shipments reported under the act in fiscal 1954, the largest on record, were valued at $561.2 billion as compared with those valued at $495.2 billion in 1953. During 1954, claims amounting to $32,514 were paid from the revolving fund established under

the act. Recoveries amounted to $8,633 and were deposited to the credit of the fund, making a net expenditure of $23,880 for losses. The estimated insurance premium savings accrued to the Government from the date of the inception of the act based on rates of private insurance companies in effect at the time, totaled $48,405,000 through June 30, 1954.

Surety companies

Under the act approved July 30, 1947 (6 U.S.C. 8), the Secretary of the Treasury issues certificates of authority to corporate surety companies to qualify them as sureties on bonds and other obligations in favor of the United States. A list of the companies which are acceptable as sureties is published annually as of May 1 by the Treasury Department. The Bureau of Accounts examines the applications of companies requesting authority to write such bonds and currently reviews the qualifications of the companies so authorized. It also examines practically all surety bonds in favor of the United States except Post Office Department and Department of Army bonds, and holds in custody a large portion of the bonds examined with the exception of contract bonds.

As of June 30, 1954, there were 148 companies holding certificates of authority qualifying them as sole sureties on recognizances, stipulations, bonds, and undertakings permitted or required by the laws of the United States, to be given with one or more sureties. In addition there were 10 companies holding certificates of authority to act as reinsurers only on bonds in favor of the United States. During the year certificates of authority to act as sole sureties were issued to seven new companies and the authority of three was revoked. A certificate was issued to one new company as an acceptable reinsurer only under Department Circular No. 297, as amended, and the authority of one reinsurer was extended to that of a sole surety.

During the year 59,647 bonds and consent agreements examined by the Treasury were approved as to corporate surety.

Investments of trust and other funds

The Secretary of the Treasury is responsible, under various provisions of law, for the investment of certain trust and other funds. The Bureau of Accounts handles the investment accounts of the Government and directs the custody of investments and securities held by the Treasurer of the United States and by Federal Reserve Banks for which the Secretary of the Treasury is responsible. A summary of the various investment accounts for which the Secretary is responsible is shown in table 51.

Receipts of interest charged on Federal Reserve notes

Since 1947 the Federal Reserve System has made annual payments of approximately 90 percent of the earnings of the Federal Reserve Banks to the Treasury. On April 24, 1947, the Board of Governors of the Federal Reserve System stated in part that as a result of operations essential to Government financing during and after the war and operations required by the needs of the public for credit and currency, net earnings of the 12 Federal Reserve Banks were at relatively high levels, estimated to aggregate more than $60

million for 1947. In view of these facts and the fact that at the end of 1946 the surplus of each Bank was equal to its subscribed capital, the Board adopted a procedure of establishing quarterly rates of interest on the outstanding notes of each Federal Reserve Bank, so that after payment of expenses and dividends, nine-tenths of the remaining earnings are paid into the Treasury. The payments have been made under Section 16 of the Federal Reserve Act (12 U.S.C. 414) which authorizes the Board of Governors of the Federal Reserve System to charge interest on the amount of outstanding Federal Reserve notes which are in excess of the amount of the gold certificates held against the notes as collateral.

In 1954 the amount deposited was $340,786,022, compared with a deposit of $297,715,406 in 1953. Except in 1951 the amounts have increased each year, as shown for 1952 and the earlier years in the 1952 Annual Report, page 555. In the eight years the deposits have aggregated $1,598,935,213.

## Donations and contributions

During the fiscal year 1954, the Treasury Department deposited in the general fund donations amounting to $106,598 and "Conscience fund" contributions amounting to $53,429. A conditional donation of $27,422 to the Library of Congress was deposited in the Library of Congress Trust Fund, Permanent Loan Account.

## Withholding of State income taxes, agreements

Agreements were made during the year with the States of Delaware, Arizona, Kentucky, and Colorado to withhold State income taxes from the compensation of Federal employees. The agreements were made under the act of July 17, 1952 (5 U.S.C. 84b, 84c) providing for withholding of State and Territorial income taxes from such compensation. (See Department Circular No. 918, Annual Report for 1953, p. 310.) Earlier, the States of Vermont and Oregon, and the Territories of Hawaii and Alaska had qualified.

## The Government Actuary

Actuarial and allied technical and mathematical analyses are prepared by the Government Actuary, including actuarial estimates for Federal trust funds as required by statute. The Secretary of the Treasury is charged with the duty of handling the investments and other operations of most of these funds.

During the fiscal year 1954, for the use of the Committee on Retirement Policy for Federal Personnel in its study of Federal retirement systems, a schedule of estimated receipts, expenditures, and fund balances of the Civil Service Retirement System was prepared. In addition for this Committee, valuations were prepared of the five retirement systems covering respectively the Foreign Service, the Federal Judiciary, the Judiciary of Territories, the Public School Teachers of the District of Columbia, and the Policemen and Firemen of the District of Columbia.

For the Secretary of the Treasury, there were prepared during 1954 the regular estimates of the annual appropriations required to be made to the foreign service retirement and disability fund and to the District of Columbia teachers' retirement fund.

Management improvement

Management savings of the Bureau in 1954, estimated at $904,000, were close to the total in 1953. This amount, approximately 5 percent of available funds, was a very important factor in enabling the Bureau to carry on its responsibilities within the limitations of the funds appropriated for administrative expenses.

The principal savings were made in mechanical processes and machine utilization. Substantial savings were realized also through better utilization of personnel, changes in organization, and improved accounting, financial reporting, and payment procedures. There was a further reduction during the year of approximately one-half cent in the unit cost of issuing checks. This was accomplished mainly through the use of certain new equipment which is feasible only where large volume is concentrated at one point. Application of electronic equipment to check-writing and reconciliation of paid checks are being studied.

The incentive awards program, including cash and efficiency awards, continued productive, with estimated annual savings of $27,700. Of the total of 265 suggestions submitted under the cash awards program, 165 were rejected or withdrawn, and 98 were adopted on which awards aggregating $1,540 were approved. There were also 4 Title X efficiency awards involving 10 employees, 9 superior accomplishment awards, 4 meritorious civilian service awards, and one exceptional civilian service honor award.

A program of supervisory development was reactivated during the year to emphasize responsibilities of supervisors with respect to employee relations and the efficiency of operations, and to train them in better management practices.

The Bureau's activities are included in an organization and management survey of the Fiscal Service to be conducted under a contract awarded June 24, 1954, to a management engineering firm.

## Treasury Loans, Capital Subscriptions, Interest, and Dividends

Among the duties of the Bureau of Accounts are the development of agreements relating to loans made to Government corporations and other agencies which are authorized to borrow from the Treasury, and the maintaining of the records relating to the loans, the capital subscription accounts, and interest and dividends.

Commodity Credit Corporation

Under the act of March 8, 1938, as amended (15 U.S.C. 713a-1), the Secretary of the Treasury is required to make an annual appraisal as of June 30 of the assets and liabilities of the Commodity Credit Corporation to determine its net worth. In the event that such appraisal shall establish that the net worth is less than $100,000,000, the Secretary of the Treasury is to submit an estimate and recommend that the Congress appropriate the funds necessary to restore the capital impairment. In the event that any appraisal shall establish that the net worth is in excess of $100,000,000, such excess shall be deposited by the Corporation in the Treasury as miscellaneous receipts. The act of March 20,

1954, (68 Stat. 30) amending the act of March 8, 1938, changed the appraisal basis from the lower of cost or market for the month of June to a cost basis beginning with the fiscal year ending June 30, 1954. The act also provided that restoration of capital for losses incurred shall be by appropriation instead of note cancellations.

The Government Corporation Control Act (31 U.S.C. 851) requires the Comptroller General to furnish a copy of the annual audit report to the Secretary of the Treasury, and it is the policy of the Secretary in appraising the assets and liabilities of the Corporation to give consideration to the Comptroller General's findings.

A statement showing restoration of capital impairment by appropriations or by cancellation of obligations of the Corporation covering those years for which the appraisal determined that the net worth of the Corporation was less than $100,000,000, together with the appraisal dates and amounts of deposits in the Treasury for those years when the appraisal established that the net worth was in excess of $100,000,000, appears in table 80.

The liabilities and capital of the Corporation on June 30, 1953, exceeded the value of assets as determined by the Secretary of the Treasury by $563,589,667. Of this amount the Secretary restored $550,151,848, the amount stipulated by Public Law 295, 83d Congress, approved February 12, 1954 (68 Stat. 14), by canceling notes issued by the Corporation to the Secretary, making the net charge against the Treasury for impairment of capital from inception of the Corporation, $3,141,276,671. In fiscal 1954 the Corporation paid to the Treasury interest in the amount of $2,500,000 on its capital stock outstanding and interest on borrowings from the Treasury in the amount of $88,345,566.

The act also directed the Secretary to cancel the Corporation's notes in the amounts of $129,553,795 and $2,064,060, respectively, to cover the net cost during fiscal 1953 under the International Wheat Agreement Act of 1949 (7 U.S.C. 1641-1642) and for funds transferred and expenses incurred for, "Eradication of foot-and-mouth and other contagious diseases of animals and poultry" pursuant to authority granted in the Department of Agriculture Appropriation Act, 1953 (66 Stat. 354).

Reconstruction Finance Corporation, national defense, war and reconversion activities

In accordance with the act of June 30, 1948 (62 Stat. 1187), the Corporation in 1954 deposited $184,921,321 in the Treasury as miscellaneous receipts. This deposit represented cash recoveries, less related expenses made during the fiscal year from the Corporation's national defense, war, and reconversion activities. These activities related to the synthetic rubber, tin, and abaca programs, and liquidation principally of activities relating to rental and disposal of World War II defense plants and facilities, the settlement of claims, and collection of receivables. The Corporation also paid to the Treasury in 1954 interest on its borrowings from the Treasury in the amount of $4,167,833.

A statement showing all cancellations and recoveries by the Treasury in connection with Reconstruction Finance Corporation notes is shown in table 81.

Refugee Relief Act, regulations

Under the Refugee Relief Act of 1953, approved August 7, 1953, Sec. 16 (50 U.S.C. App. 1971n, Supp. I), the Secretary of the Treasury was authorized and directed to make loans not to exceed $5,000,000 in the aggregate to public or private agencies of the United States to finance the transportation of certain persons receiving immigrant visas under the act from ports of entry to places of their settlement in the United States. Regulations were issued in Department Circular No. 932, dated December 1, 1953 (exhibit 77), and related operating procedures were developed.

## International Obligations

During the year, the Bureau of Accounts continued to discharge its duties in connection with certain Treasury responsibilities in respect to international obligations. The following paragraphs report the payment and status of loans, the payment of various claims, the accounting for indebtedness arising from World Wars I and II, and some related matters.

World War I indebtedness

As of July 1, 1954, World War I indebtedness of foreign governments to the United States, excluding the amount of indebtedness of Germany, amounted to $17.2 billion, $11.4 billion on account of principal, and $5.9 billion on account of interest.

Under the funding agreement of May 1, 1923, and the moratorium agreements of May 1, 1941, and October 14, 1943, the Treasury in fiscal 1954 received from Finland $396,199.36 in payment of its indebtedness. In accordance with the provisions of the act of August 24, 1949 (20 U.S.C. 222), this amount was placed in a deposit fund account and was made available to the Department of State for financing educational and scientific studies in Finland and the United States.

Tables 115 and 116 show the status of World War I indebtedness.

Mixed Claims Commission, United States and Germany.--On February 27, 1953, the Federal Republic of Germany, as part of the German settlement of German debts, entered into an agreement with the United States which provided for (1) the settlement of the obligations of the Federal Republic with regard to the remaining indebtedness of Germany for awards made by the Mixed Claims Commission, United States and Germany, on behalf of nationals of the United States, and (2) the deferment of settlement of all other indebtedness under the 1930 agreement.

The agreement provided for the total payment of $97,500,000 in 26 annual installments beginning April 1, 1953, on behalf of those nationals of the United States on whose behalf awards of the Mixed Claims Commission had heretofore been entered but which had not been fully satisfied. The agreement was ratified on September 16, 1953, and on September 24, 1953, the Federal Republic made the first annual payment of $3,000,000. The second payment, in like amount, was made on April 1, 1954. The awards were distributed in accordance with the Settlement of War Claims Act of 1928, as amended (50 U.S.C. App. 9). Distribution to holders of Class III

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awards was made on a basis of 4.65 percent of the interest which had accrued from January 1, 1928 to January 1, 1953. The second payment, received on April 1, 1954, was distributed on a basis of 4.75 percent of the interest which had accrued from January 1, 1928 to January 1, 1954.

A statement showing total payments made on awards under the Settlement of War Claims Act of 1928, by classes, and the status of the accounts as of June 30, 1954, is shown in table 109.

World War II indebtedness

During 1954 the Bureau of Accounts continued its operations of accounting, billing, and collecting for lend-lease articles transferred and surplus property sold by the United States to foreign governments in connection with World War II.[1] Table 117 shows the status of the indebtedness by countries for reimbursable supplies and services under lend-lease and surplus property sales agreements, and under other lend-lease accounts. As of June 30, 1954, the accounts receivable amounted to $2,412.3 million. Included in other lend-lease accounts is $291.2 million due for silver transferred under the lend-lease program, repayment of which is to be made in silver of a like kind and quantity.

Under the lend-lease and surplus property agreements, the Treasury Department in fiscal 1954 received payments in United States dollars from foreign governments amounting to $58.1 million. This brought the total collected in United States dollars to $1,789.9 million as of June 30, 1954. During the year, the lend-lease and surplus property accounts were credited also with payments in foreign currencies having a United States dollar equivalent of $26.1 million. Such payments from inception of the lend-lease and surplus property programs have reduced the amounts receivable by the United States dollar equivalent of $223.1 million.

Credit to the United Kingdom

The United States made loans to the United Kingdom in the total amount of $3,750,000,000, under the terms of the financial agreement dated December 6, 1945. The agreement provides for repayments on the loans, together with interest at the rate of 2 percent, to be made annually beginning December 31, 1951.

The third annual payment in the amount of $119,336,250, was made on December 31, 1953, of which $73,208,815.50 was applied to interest, and the balance of $46,127,434.50 applied to principal. The indebtedness as of June 30, 1954, amounted to $3,614,313,340.50.

German external debt

The agreement on German external debts signed on February 27, 1953, by the Federal Republic of Germany and the United States provided for the settlement of the claim held by the United States Government for postwar economic assistance furnished to Germany. The agreement provided for the payment to the United States from time to time from January 1, 1953, of the principal sum of

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[1] Under Executive Order No. 9726, dated May 17, 1946; see Annual Report for 1947, p. 116.

$1,000,000,000 and interest at the rate of 2 1/2 percent per annum on the unpaid principal balance outstanding, such interest to be paid semiannually.

The first payment of interest, in the amount of $12,500,000, was made on July 1, 1953, while a similar payment was made January 1, 1954. Thereafter, until and including January 1, 1958, $12,500,000 shall be paid on January 1 and July 1 of each year as interest. Beginning July 1, 1958, and semiannually thereafter, 59 installments of $23,790,000 and one final installment of the unpaid balance shall be paid, such installments to be applied first to accrued interest and the remainder to principal.

International Claims Settlement Act of 1949, as amended

The act of March 10, 1950, as amended (22 U.S.C. 1622), established the International Claims Commission of the United States in the Department of State[1] to receive claims, conduct hearings, and adjudicate and render final decisions with respect to certain claims of the Government of the United States, on its own behalf and on the behalf of the American nationals against foreign governments, arising out of World War II. Awards of the Commission are certified to the Secretary of the Treasury for payment to awardees or their successors or assigns in accordance with the provisions of the act, as amended.

Under the Yugoslav Claims Agreement of 1948, the Government of Yugoslavia paid to the United States the sum of $17,000,000 in full settlement of certain pecuniary claims of the United States and nationals of the United States against the Yugoslav Government arising out of the nationalization or other taking of property by Yugoslavia. This is to be paid out to the respective claimants under the aforesaid agreement as their interests may appear, pursuant to the act of March 10, 1950, as amended (22 U.S.C. 1625-1626, Supp. I). As of June 30, 1954, 153 awards in the total sum of $690,217 have been certified to the Treasury for payment.

Organization for European Economic Cooperation, European Productivity Agency

The European Productivity Agency was established within the frame of the Organization for European Economic Cooperation pursuant to Section 115(k)(2) of the Economic Cooperation Act of 1948, as amended (22 U.S.C. 1513k) and Section 516(a) of the Mutual Security Act of 1951, as amended (22 U.S.C. 1667).

The object of the program is to stimulate free enterprise and the expansion of the economies of the member countries with equitable sharing of the benefits among consumers, workers, and owners. To put the program into operation, the Director for Mutual Security, as authorized by the law, transferred to the Organization $2,500,000, which was deposited into a special account of the Secretary of the Treasury on June 30, 1953. During the fiscal year 1954, withdrawals were made in the amount of $500,000.

[1] By Reorganization Plan No. 1 of 1954, the name of this Commission was changed to the Foreign Claims Settlement Commission of the United States, effective July 1, 1954.

United Nations Relief and Works Agency for Palestine Refugees in the Near East

The United Nations Relief and Works Agency for Palestine Refugees in the Near East was established under a resolution of the General Assembly of the United Nations on December 8, 1949. Under Section 302, Title III of the Foreign Economic Assistance Act of 1950 (22 U.S.C. 1556; see also 22 U.S.C. 1556 Supp. I note), the Secretary of State was authorized to make contributions from time to time to the Agency from appropriated funds under the jurisdiction of the Department of State. Pursuant to an agreement with the Secretary of State, there was established a deposit fund account in the name of the Secretary of the Treasury. As of June 30, 1954, the Department of State had transferred $35,000,000 and the Agency had withdrawn $8,500,000.

Indebtedness of the Government of the Republic of the Philippines

Bonds of the Republic of the Philippines.--The final payment by the Philippines to the special trust account established in the Treasury under the Philippine Independence Act, approved August 7, 1939 (53 Stat. 1229), was made on October 23, 1951.

The act provides, in part, that: "From time to time after July 4, 1946, any moneys in such special trust account found by the Secretary of the Treasury of the United States to be in excess of an amount adequate to meet interest and principal payments of all such bonds shall be turned over to the Treasurer of the independent Government of the Philippines." In accordance with this provision, $1,000,000 was determined to be in excess of the special trust fund requirements and was returned to the Treasurer of the Government of the Philippines on May 24, 1954.

The status of the special trust account as of June 30, 1954, for the payment of principal and interest on pre-1934 Philippine Government bonds, will be found in table 71.

Funding agreement.--On June 1, 1954, the Treasury Department also received a payment of $4,200,000 from the Government of the Philippines representing payment of principal in the amount of $3,500,000 and interest in the amount of $700,000 pursuant to the terms of the Philippine refunding agreement of November 6, 1950 (Annual Report for 1951, pp. 553 and 601).

American-Mexican Claims Commission

During the fiscal year 1954, the Government of the United Mexican States made its annual payment in the amount of $2,500,000, representing an installment on the $40,000,000 which Mexico, in the Convention of November 19, 1941, agreed to pay in full settlement of the claims of American nationals as adjudicated by the American-Mexican Claims Commission. The amount enabled a further distribution of 6.1 percent on the principal amount of each award, making a total distribution of 89.6 percent. A statement of the Mexican claims fund appears as table 108.

Withheld foreign checks

Prohibition of the delivery of Government checks to payees residing in certain foreign areas continued during 1954 under Treasury Department Circular No. 655, dated March 19, 1941, as

amended. This restriction applies to the following areas: Albania, Bulgaria, Communist-controlled China, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, the Union of Soviet Socialist Republics, the Russian Zone of Occupation of Germany, and the Russian Sector of Occupation of Berlin. In addition, delivery of checks to nationals of Communist China and North Korea is prohibited by Foreign Assets Control regulations issued by the Secretary of the Treasury on December 17, 1950, except to the extent that delivery has been authorized by appropriate license.

### Liquidations of Federal Agencies

Although the outstanding obligations of the Philippine War Damage Commission were liquidated and the administrative accounts closed during the fiscal year 1953, 5,673 inquiries and other correspondence relating to property damage claims and claims for the proceeds of improperly negotiated war damage checks were received during the fiscal year 1954.

Executive Order No. 10494, dated October 14, 1953, placed upon the Secretary of the Treasury the authority to liquidate the remaining fiscal functions of the Economic Stabilization Agency. Treasury Department Order No. 162-2, dated November 2, 1953, delegated such authority to the Commissioner of Accounts. During the fiscal year 1954, most of the outstanding obligations were liquidated and various procedural matters were completed.

## BUREAU OF THE PUBLIC DEBT

The Bureau of the Public Debt in connection with the management of the public debt, performs the administrative work which includes the preparation of offering circulars, instructions, and regulations pertaining to each issue, the issuance of securities and the conduct or direction of transactions in outstanding issues, the final audit and custody of retired securities, the maintenance of the control accounts covering all public debt issues, and the keeping of individual accounts with owners of registered securities and the issue of checks in payment of interest thereon.

Two principal offices are maintained, one in Washington, D. C., for all functions relating to the issuing, servicing, and retiring of public debt securities except those relating to savings bonds following their issue to the public; the other in Chicago, Ill., where the functions consist of transactions relating to savings bonds after their issue to the public. In addition to the two principal offices, three field regional offices, located in New York, Chicago, and Cincinnati, are maintained for the purpose of auditing retired savings bonds and preparing records reflecting their retirement.

<u>Bureau administration</u>

<u>Management improvement</u>.--In the past several years the Bureau of the Public Debt has been highly successful in the prosecution of its management improvement plan. Various fields have been progressively emphasized through coordinated design on the part of

the Bureau and also as a result of departmental procedural recommendations for the guidance and consideration of all Treasury units.

During 1954 the Bureau continued its program to reduce costs wherever such reduction could be made without sacrificing security controls or impairing the quality of its service. Noteworthy results were attained in several areas. A simplified method of correcting sequence errors on microfilm records of savings bonds registration stubs reduced rephotographing and film splicing to a minimum. Following studies made of the film reviewing operations in connection with the filming of savings bond stubs, a mechanical collating sequence check was instituted immediately before the numerical filming which produced a much higher degree of sequence accuracy on the films. This made possible a reduction in the film sequence review of numerical stub reels to a 5 percent sampling check, resulting in a sustained increase in production in this operation of approximately 100 percent. A survey of the frequency of discrepancy in the issue date shown by original issue registration stubs of savings bonds and the relation of redemptions to sales by denominations, determined it was feasible to discontinue in part the issue date verification of the stubs without impairing adequate quality control. A revision of the procedure for processing changes of address in connection with the registered accounts of Series G savings bonds eliminated the typing of approximately 150,000 copies of forms and new addresses on account reference cards annually.

During the year the savings bonds operations relating to retirement and reissue transactions were reviewed and carefully analyzed, resulting in a decision to refine the basic redemption procedures further. The revised procedure is a major change in the savings bonds retirement processing operations in the Federal Reserve Banks and was placed in effect in the Banks on a staggered basis, beginning June 1, 1954, for a period of three months. The change in procedure does not in any way affect the relationship of paying agents with the Federal Reserve Banks but it transfers most of the detailed operations from the Federal Reserve Banks to the three regional offices of the Register of the Treasury. A uniform procedure for processing savings bonds retired on all types of transactions is effected, thereby resulting in substantial economies in personnel, equipment, space, and other related items. This change in procedure also lays the groundwork for facilitating the processing of redeemed savings bonds by electronic means if this proves feasible.

It was determined that the final audit of retired bearer securities and interest coupons could be dispensed with and therefore the Final Audit Section of the Office of the Register of the Treasury was abolished as of July 1, 1953.

A Machine Accounting Section was established on November 1, 1953, in the Office of the Deputy Commissioner in Charge of the Washington Office, by consolidation of the Machine Operations Unit of the Division of Loans and Currency with the Machine Accounting Section of the Office of the Register of the Treasury, resulting in economies in both machines and personnel.

Since the audit of unfit United States paper currency retired from circulation was decentralized to the Federal Reserve Banks

and branches, the Redeemed Currency Unit of the Division of Loans and Currency was abolished November 5, 1953.

Personnel.--On June 30, 1954, there were 3,411 employees on the rolls of the Bureau of the Public Debt excluding those on leave without pay, as compared with [r]3,489 on June 30, 1953. The principal changes consisted of decreases of 163 employees in the Division of Loans and Currency and 24 employees in the Office of the Register, in Washington; and 91 employees in the Chicago Departmental Office and an increase of 180 employees in the three regional offices of the Register of the Treasury, occasioned by a shift of work from the Federal Reserve Banks and branches.

## Bureau operations

The public debt.--A summary of public debt operations handled by the Bureau appears on pages 22 to 35 of this report, and a series of statistical tables dealing with the public debt will be found in tables 14 to 49.

The public debt of the United States falls into two broad categories: (1) Public issues, and (2) special issues. The public issues are classified as to marketable obligations, consisting chiefly of Treasury bills, certificates of indebtedness, Treasury notes, and Treasury bonds; and nonmarketable obligations, consisting chiefly of United States savings bonds, Treasury bonds of the investment series, and Treasury savings notes. Special issues are issued by the Treasury directly to various Government funds and payable only for account of such funds.

During the fiscal year 1954 the gross public debt increased by $5,189 million and the guaranteed obligations held outside the Treasury increased by $29 million. The most significant change in the composition of the outstanding debt during the year was the increase of $3,020 million in marketable obligations. Total public debt issues, including issues in exchange for other securities, amounted to $181,979 million during 1954, and retirements amounted to $176,791 million. The following statement gives a comparison of the changes during the fiscal years 1953 and 1954 in the various classes of public debt issues:

| Classification | Increase, or decrease (-) | |
|---|---|---|
| | 1953 | 1954 |
| | In millions of dollars | |
| Interest-bearing debt: | | |
| Treasury bonds, investment series | -758 | -513 |
| Treasury savings notes | -2,160 | 626 |
| United States savings bonds | 201 | 176 |
| Marketable obligations | 6,928 | 3,020 |
| Special issues | 2,799 | 1,691 |
| Other | 74 | -35 |
| Total interest-bearing debt | 7,083 | 4,964 |
| Matured and debt bearing no interest | -117 | 225 |
| Total | 6,966 | 5,189 |

[r] Revised.

United States savings bonds.--In terms of volume of work, the issue and redemption of United States savings bonds represent the largest administrative problem of this Bureau. Since these bonds are in registered form and in the hands of millions of people, establishing and maintaining alphabetical and numerical records of more than 1.6 billion of these bonds, replacing lost, stolen, and destroyed bonds, and handling and recording retired bonds present administrative tasks of considerable magnitude.

Receipts from the sales of savings bonds during the year were $5,494 million and accrued discount charged to the interest account and credited to the savings bond principal account amounted to $1,234 million, a total of $6,727 million. Expenditures for redeeming savings bonds, including matured bonds, amounted to $6,515 million. The amount of savings bonds of all series outstanding on June 30, 1954, including accrued discount and matured bonds, was $58,189 million, an increase of $212 million over the amount outstanding on June 30, 1953. Detailed information regarding savings bonds will be found in tables 34 to 39, inclusive, of this report.

During the fiscal year 1954, 88.2 million stubs representing issued bonds of Series E were received for registration, making a total of 1,627.3 million, including reissues, received through June 30, 1954. These original stubs are first arranged alphabetically in semiannual blocks, by name of owner, and microfilmed. They are then arranged in numerical sequence of their bond serial number in a full calendar year file and microfilmed, after which they are destroyed. The microfilms serve as permanent registration records. Of the 1,627.3 million Series E bond stubs received as of June 30, 1954, 1,427.9 million have been completely processed and destroyed, leaving a balance of 199.4 million stubs in process at various stages of completion. The following table shows the processing, at various stages, of the registration stubs of Series E savings bonds.

| Period | Stubs of issued Series E savings bonds in Chicago office (In millions of pieces) | | | | | |
|---|---|---|---|---|---|---|
| | Stubs received | Alphabetically sorted | | Alphabetically filmed | Numerically filmed | Destroyed after filming |
| | | Restricted basis sort[1] | Fine sort prior to filming[2] | | | |
| Cumulative through June 30, 1949.... | 1,247.0 | 1,210.2 | 1,186.9 | 1,139.2 | 1,223.3 | 1,061.5 |
| Fiscal year: | | | | | | |
| 1950.............................. | 67.8 | 91.1 | 88.1 | 115.3 | .5 | 156.6 |
| 1951.............................. | 65.5 | 60.5 | 66.2 | 63.8 | 41.7 | 36.4 |
| 1952.............................. | 76.0 | 72.2 | 67.3 | 57.1 | 27.5 | 32.2 |
| 1953.............................. | 82.8 | 84.0 | 59.8 | 62.3 | 66.4 | 67.9 |
| 1954.............................. | 88.2 | 89.0 | 82.0 | 82.2 | 72.7 | 73.3 |
| Total........................ | 1,627.3 | 1,607.0 | 1,550.3 | 1,519.9 | 1,432.1 | 1,427.9 |

[1] Not in complete alphabetical arrangement but sorted to such a degree that individual stubs can be located. Includes those stubs fine sorted.
[2] Completely sorted.

The audit of retired savings bonds is conducted in the regional offices of the Register of the Treasury. There were 97.3 million retired savings bonds of all series received in the regional offices during the year. Retired bonds are audited and then microfilmed, after which the bonds may be destroyed. The bonds of all series received in these offices have been audited, microfilmed, and destroyed to the extent indicated in the following table.

| Period | Retired savings bonds of all series in regional offices (In millions of pieces) | | | | | |
|---|---|---|---|---|---|---|
| | Bonds received | Audited | Micro-filmed | Balance unaudited | Balance unfilmed | Destroyed |
| Cumulative through June 30, 1949... | 322.0 | 319.0 | 223.1 | 3.0 | 98.9 | 4.5 |
| Fiscal year: | | | | | | |
| 1950............................ | 84.4 | 83.0 | 153.3 | 4.4 | 30.0 | 312.7 |
| 1951............................ | 92.1 | 94.2 | 101.7 | 2.3 | 20.4 | 79.2 |
| 1952............................ | 82.4 | 82.8 | 85.2 | 1.9 | 17.6 | 88.6 |
| 1953............................ | 88.4 | 88.5 | 92.1 | 1.8 | 13.9 | 111.0 |
| 1954............................ | 97.3 | 96.0 | 95.5 | 3.1 | 15.7 | 81.6 |
| Total.......................... | [1] 766.6 | 763.5 | 750.9 | 3.1 | 15.7 | 677.6 |

[1] Includes 731.8 million pieces of redeemed Series A-E bonds.

After the retired bonds have been audited in the regional offices, a listing of the serial numbers is transmitted to the Chicago departmental office where the serial numbers are posted to numerical registers, and the postings are verified. The following statement shows the status of the posting of all series of retired savings bonds.

| Period | Retired savings bonds of all series recorded in Chicago Office (In millions of pieces) | | | | |
|---|---|---|---|---|---|
| | Number of retired bonds reported | Status of posting | | | |
| | | Posted | Verified | Unposted | Unverified |
| Cumulative through June 30, 1949............... | 784.1 | 781.7 | 775.7 | 2.4 | 6.0 |
| Fiscal year: | | | | | |
| 1950........................................ | 82.6 | 81.2 | 82.2 | 3.8 | 5.0 |
| 1951........................................ | 89.8 | 90.7 | 93.4 | 2.9 | 2.3 |
| 1952........................................ | 85.5 | 88.1 | 88.2 | .3 | 2.2 |
| 1953........................................ | 87.7 | 88.0 | 87.5 | .......... | 2.7 |
| 1954........................................ | 94.6 | 89.9 | 88.7 | 4.7 | 3.9 |
| Total...................................... | 1,224.3 | 1,219.6 | 1,215.7 | 4.7 | 3.9 |

Of the 90.5 million Series A-E savings bonds redeemed prior to release of registration and received in the regional offices during the year, 87.4 million, or 96.6 percent, were redeemed by 17,500 paying agents, who were reimbursed for this service in each quarter-year at the rate of 15 cents each for the first 1,000 bonds paid and 10 cents each for all over the first 1,000. The total amount paid to agents on this account during the year was $10,829,832, which was at the average rate of 12.41 cents per bond.

On December 29, 1953, the Treasury announced that, as a further step towards reducing costs of operations, it was withdrawing savings bonds from sale at local post offices in communities where other savings bonds agents, such as banks or other financial institutions and business firms with payroll savings plans, provide adequate issuing facilities. The post offices, comprising 54 percent of the total number of issuing agents, were accounting for less than 7 percent of the amount of the annual sales of savings bonds. They will continue to sell United States savings stamps and also will continue to provide information as to where savings bonds may be purchased.

The following table shows the number of issuing and paying agents for Series A-E savings bonds, by classes.

| June 30 | Post offices | Banks | Building and savings and loan associations | Credit unions | Companies operating payroll plans | All others | Total |
|---|---|---|---|---|---|---|---|
| | Issuing agents | | | | | | |
| 1950 | 25,060 | 15,225 | 1,557 | 522 | 3,052 | 550 | 45,966 |
| 1951 | 24,720 | 15,276 | 1,551 | 511 | 3,071 | 640 | 45,769 |
| 1952 | 24,434 | 15,333 | 1,559 | 503 | 3,090 | 594 | 45,513 |
| 1953 | 24,415 | 15,380 | 1,536 | 464 | 3,039 | 591 | 45,425 |
| 1954 | [1] 3,198 | 15,607 | 1,534 | 440 | 2,997 | 606 | 24,382 |
| | Paying agents | | | | | | |
| 1950 | .......... | 15,623 | 874 | 137 | .......... | 57 | 16,691 |
| 1951 | .......... | 15,747 | 922 | 138 | .......... | 59 | 16,866 |
| 1952 | .......... | 15,851 | 976 | 139 | .......... | 57 | 17,023 |
| 1953 | .......... | 15,906 | 1,042 | 138 | .......... | 57 | 17,143 |
| 1954 | .......... | 16,220 | 1,106 | 138 | .......... | 55 | 17,519 |

[1] Estimated by the Post Office Department.

During the fiscal year 1954, 8,034,094 interest checks were issued on current income type savings bonds with a value of $428,747,739. This was a decrease of 380,294 checks from the number issued during 1953, and a decrease of $35,328,437. As of June 30, 1954, there were 2,642,602 active accounts with owners of this type of savings bonds, a decrease of 41,218 accounts from the previous year. There was a reduction of 256,081 in accounts of Series G bonds which have been maturing since May 1, 1953, and an increase of 162,939 in accounts of Series H bonds, which were first sold on June 1, 1952, and 51,924 in accounts of Series K bonds which were first sold on May 1, 1952.

There were 45,548 applications during the year for the issue of duplicates of lost, stolen, or destroyed savings bonds, in addition to 1,546 cases on hand at the beginning of the year, making a total of 47,094 cases. In 28,207 cases the bonds were recovered, and in 17,080 cases the issuance of duplicate securities was authorized. On June 30, 1954, 1,807 cases remained unsettled.

Registered accounts other than savings bonds.--During the year 25,400 individual accounts covering publicly held registered securi-

ties other than savings bonds were opened and 56,000 were closed. This reduced the total of open accounts on June 30, 1953, to 278,400 such accounts open on June 30, 1954, covering registered securities in the principal amount of $20.8 billion. Interest checks totaling 541,000 were issued to owners of record during the year, a decrease of 44,000 from 1953.

Redeemed currency.--On July 1, 1953, the Division of Loans and Currency (Washington) had on hand 23,752 unaudited bundles (4,000 half-notes each) of United States currency that had been retired from circulation as unfit. During July 1953, 1,508 bundles were received, making a total of 25,260 bundles to be audited. The audit was completed by the middle of August, which ended this operation in the Division of Loans and Currency.

## OFFICE OF THE TREASURER OF THE UNITED STATES

The Treasurer of the United States is the officer of the Government charged by law with the receipt, custody, and disbursement upon proper order of the public moneys. The Treasurer is required to keep accurate records as to the source, location, and disposition of the funds and to make periodic reports thereof as required by law and administrative authority.

Although the Treasurer maintains no branch or field offices, facilities for certain operations are provided Government offices by the Federal Reserve Banks, acting as agents of and under the supervision of the Treasurer. Through these means millions of financial transactions involved in the day-to-day business life of the Nation are handled promptly and efficiently. The procedures followed by the Banks in the performance of these operations are essentially the same as those in the Washington office.

Specifically, the Treasurer maintains current accounts of all receipts and expenditures; pays the principal and interest on the public debt; provides checking account facilities for Government disbursing officers, corporations, and agencies; pays checks drawn on the Treasurer of the United States; procures, stores, issues, and redeems United States currency; audits redeemed Federal Reserve currency; examines and determines the value of mutilated currency; acts as special agent for the payment of principal and interest on certain obligations of corporations of the United States Government, Puerto Rico, and the Philippine Islands; and maintains facilities in the Main Treasury building for (a) the deposit of public moneys by Government officers, (b) the cashing of United States savings bonds, and checks drawn on the Treasurer, (c) the receipt of excess and/or unfit currency and coins from local concerns and banks, and (d) the conduct of certain transactions in public debt securities for the public, including safekeeping of United States savings bonds. The Office of the Treasurer prepares the "Daily Statement of the United States Treasury," the monthly Statement of the Public Debt, and the monthly "Circulation Statement of United States Money."

Under authority delegated by the Comptroller General of the United States, the Treasurer processes claims arising from the forgery of endorsements and other irregularities involving checks paid by the Treasurer and, in the case of unpaid checks which are lost or destroyed, instructs the claimants as to the manner of obtaining substitute checks.

The Treasurer of the United States is also Treasurer of the Board of Trustees of the Postal Savings System, trustee for bonds held to secure public deposits in commercial banks and bonds held to secure postal savings on deposit in such banks, and custodian of miscellaneous securities and trust funds.

Management improvement.--The Office of the Treasurer continued its active participation in the management improvement program during the fiscal year 1954 and made numerous changes resulting in improvements in operations and more efficient service to the Government and to the public. Although practically all functions of the Office have been performed since 1778, as specified by legislation, it has been possible by continuous application of management techniques and the introduction of modern methods and equipment to keep pace with the ever increasing number of financial transactions of the Government.

Numerous procedural changes have resulted in increased efficiency in the check payment operation. Disbursing accounts involving the issuance of approximately 2,000,000 checks annually were converted during the year from paper to card check form. Card checks are considerably more economical to process. The replacement of various machines by more modern and faster equipment also contributed toward the increased efficiency and speed of the check payment operation both in Washington and the Federal Reserve Banks.

The creation of two separate divisions to perform the check payment and check claims functions previously performed by a single division has resulted in clearer definition of lines of authority and responsibility and more efficient operations.

The records administration program of the Office was reviewed thoroughly during the year. A revised filing system, the elimination of considerable nonrecord material from the permanent files, elimination of duplicate files, and the establishment of a complete retention schedule have resulted in some reduction in personnel and substantial savings in supplies and equipment.

The management improvement program has been supplemented by supervisory training and stimulation of the work simplification and incentive awards programs.

Money received and disbursed by the Treasurer.--Moneys collected by Government officers are deposited with the Treasurer at Washington, in Federal Reserve Banks, and in designated Government depositaries for credit of the account of the Treasurer of the United States, and all payments are charged against this account. Total moneys received and disbursed for the fiscal years 1953 and 1954 are shown in the following table on the basis of the ''Final Statement of Receipts and Expenditures of the United States Government'' for the fiscal year 1954.

| Receipts, expenditures, and general fund balance | 1953 | 1954 |
|---|---|---|
| Receipts: | | |
| Budgetary (net)[1] | $64,825,044,026 | $64,655,386,989 |
| Trust accounts, etc.[2] | 8,929,289,228 | 9,155,358,424 |
| Public debt[3] | 158,877,189,562 | 181,979,465,460 |
| Subtotal | 232,631,522,816 | 255,790,210,873 |
| Balance in general fund beginning of year | 6,968,827,603 | 4,670,248,248 |
| Total | 239,600,350,419 | 260,460,459,121 |
| Expenditures: | | |
| Budgetary[4] | 74,274,257,484 | 67,772,353,245 |
| Trust accounts, etc.[2] | 5,168,818,039 | 6,769,321,623 |
| Investments of Government agencies in public debt securities (net) | 3,300,585,125 | 2,054,365,867 |
| Sales and redemptions of obligations of Government agencies in market (net) | 25,214,084 | 3,908,850 |
| Changes in accounts necessary to reconcile to Treasury cash | 249,920,729 | 46,437,531 |
| Increase in balance of cash held outside the Treasury | ([5]) | 256,688,953 |
| Public debt[3] | 151,911,306,710 | 176,790,927,991 |
| Subtotal | 234,930,102,171 | 253,694,004,060 |
| Balance in general fund at close of year | 4,670,248,248 | 6,766,455,061 |
| Total | 239,600,350,419 | 260,460,459,121 |

NOTE.--This table is based on the "Final Statement of Receipts and Expenditures of the United States Government" for the period from July 1, 1953, through June 30, 1954, which was released on November 29, 1954.

[1] Total budget receipts less appropriations of receipts to the Federal old-age and survivors insurance trust fund and the railroad retirement account and refunds of receipts. For details of receipts for 1954, see table 3.

[2] For details for 1954, see table 4.

[3] For details for 1954, see table 28.

[4] See table 1, footnote 3. For details for 1954, see table 3.

[5] Not available.

Assets and liabilities of the Treasurer's accounts.--The assets of the Treasurer consist of gold and silver bullion, coin and paper currency, deposits in Federal Reserve Banks, and deposits in the commercial banks designated as Government depositaries.

A summary of the assets and liabilities in the Treasurer's accounts at the close of the fiscal years 1953 and 1954 is shown in table 50.

Gold.--Gold receipts during 1954 amounted to $67.4 million and disbursements totaled $603.3 million, a net decrease of $535.9 million. This decrease brought the total gold assets to $21,926.7 million on June 30, 1954. Liabilities against these assets were $21,274.0 million of gold certificates and credits payable in gold certificates and $156.0 million for gold reserve against currency. The gold balance in the general fund on June 30, 1954, was $496.7.

Credits during the year on account of increment resulting from the reduction in weight of the gold dollar in 1934 amounted to $69,058.43. This makes a total increment from 1934 through the fiscal year 1954 of $2,819,455,895.89.

Silver.--During the year 24.2 million ounces of silver bullion, which had been carried in the general fund at a cost of $21.9 million, were monetized at a monetary value of $31.3 million. This $31.3 million increase in silver assets was offset by a decrease of $10.5 million in holdings of silver dollars, making a net increase of $20.8 million in assets during the year. As of June 30, 1954, the

silver assets of the Treasurer (exclusive of subsidiary coin and bullion held in the general fund at cost) amounted to $2,433.6 million.

Liabilities against silver at the end of the year amounted to $2,393.9 million for silver certificates outstanding and $1.1 million for Treasury notes of 1890 outstanding, leaving a net balance of $38.5 million in the general fund.

The silver bullion held in the general fund at cost value (exclusive of the $38.5 million at monetary value) decreased from $33.5 million on June 30, 1953, to $13.7 million on June 30, 1954. This decrease of $19.9 million is accounted for as follows: $33.6 million net purchases of silver less $21.9 million of silver monetized and less $31.6 million of silver used for coinage.

Paper currency.--Under the laws of the United States the Treasurer is the agent for the issue and redemption of United States currency and coin.

Table 89 shows by class and denomination the value of paper currency issued and redeemed during the fiscal year 1954, and the amounts outstanding at the end of the fiscal year.

A comparison of the amounts of paper currency of all classes issued, redeemed, and outstanding, follows:

| | Fiscal year 1953 | | Fiscal year 1954 | |
|---|---|---|---|---|
| | Pieces | Amount | Pieces | Amount |
| Outstanding at beginning of year... | 3,117,981,620 | $31,621,651,824 | 3,196,720,099 | $32,567,590,057 |
| Issues during year.................. | 1,926,560,815 | 9,182,608,000 | 1,804,647,078 | 9,057,038,000 |
| Redemptions during year............ | 1,847,822,336 | 8,236,669,767 | 1,826,580,083 | 9,220,725,519 |
| Outstanding at end of year......... | 3,196,720,099 | 32,567,590,057 | 3,174,787,094 | 32,403,902,538 |

For further details on stock and circulation of money in the United States, see tables 84 to 88.

Depositaries.--The following table shows the number of each class of depositaries and balances as of June 30, 1954.

| Class | Number of depositaries[1] | Deposits to the credit of the Treasurer, U. S., June 30, 1954 |
|---|---|---|
| Federal Reserve Banks and branches.................................... | 36 | $1,149,307,761.11 |
| Other banks in continental United States: | | |
| General depositaries............................................... | 1,390 | 383,322,175.89 |
| Special depositaries, Treasury tax and loan accounts................ | 10,653 | 4,835,898,773.57 |
| Insular and territorial depositaries.................................. | 38 | 49,290,949.06 |
| Foreign depositaries[2]................................................. | 34 | 87,611,420.83 |
| Total.............................................................. | 12,151 | 6,505,431,080.46 |

[1] Does not include limited depositaries which have been designated for the sole purpose of receiving deposits made by Government officers for credit in their official checking accounts with such depositaries and which are not authorized to accept deposits for credit of the Treasurer of the United States.
[2] Principally branches of institutions in the United States.

For details on the administrative work relating to designation of depositaries, see page 102.

Checking accounts of disbursing officers and agencies.--As of June 30, 1954, the Treasurer maintained 4,081 checking accounts

of disbursing officers and Federal agencies. The number of disbursing officers' accounts by classes as of June 30, 1953 and 1954, and the number of checks paid during the fiscal years 1953 and 1954 were as follows:

| Disbursing officers | 1953 | | 1954 | |
|---|---|---|---|---|
| | Number of disbursing officers' accounts | Number of checks paid | Number of disbursing officers' accounts | Number of checks paid |
| Treasury | 429 | 193,803,082 | 370 | 203,120,050 |
| Army | 497 | 39,151,883 | 440 | 34,120,687 |
| Navy | 1,938 | 37,020,703 | 1,595 | 35,824,413 |
| Air Force | 421 | 20,115,182 | 362 | 19,125,543 |
| Other | 1,402 | 25,276,723 | 1,314 | 28,011,508 |
| Total | 4,687 | 315,367,573 | 4,081 | 320,202,201 |

Of the 320,202,201 checks paid in the last fiscal year, 255,577,741 were paid by the Federal Reserve Banks and the Manila Branch of the National City Bank of New York acting as fiscal agents of the Treasurer and the remaining 64,624,460 checks were paid by the Treasurer in Washington.

The amount to the credit of the checking accounts of disbursing officers and agencies on the books of the Treasurer of the United States on June 30, 1954, was $83,651,459,976 as compared with $89,170,018,085 on June 30, 1953.

Check claims.--During the year the Treasurer of the United States issued 20,634 checks totaling $1,847,484 in settlement of claims for the proceeds of checks which had been paid bearing forged or unauthorized endorsements. Outstanding check claims were processed, resulting in the Chief Disbursing Officer's issuance of 43,586 substitute checks totaling $29,067,542 to replace checks which had not been received, or were lost or destroyed.

Under an additional delegation of authority from the Comptroller General of the United States, dated October 1, 1953, all paid check claims now are processed, unless otherwise specifically provided by law, from inception to final conclusion by the Treasurer of the United States. Cases involving forgeries are investigated by the United States Secret Service; information relative to such cases is contained in the report of that Service.

On July 1, 1953, the Treasurer of the United States assumed the duty of developing and adjudicating claims for the proceeds of paid Philippine war damage and Veterans Administration depositary checks drawn by the Chief Disbursing Officer payable to residents of the Philippines in indigenous currency. During the year, 1,455 disbursements were certified in the total sum of 629,212 pesos.

In addition to the claims processed to final settlement by the Treasurer, many other claims were withdrawn or were not honored because they were not well founded.

Treasurer's Cash Room.--The commercial checks, drafts, postal express money orders, etc., deposited by Government officers with the Treasurer's Cash Room in Washington for collection aggregated 4,938,834 items for the fiscal year 1954, as compared with 4,040,506 items for the fiscal year 1953.

Securities held in safekeeping.--The face value of securities held by the Treasurer in safekeeping as of June 30, 1953 and 1954, is shown in the following table.

| Purpose for which held | June 30, 1953 | June 30, 1954 |
|---|---|---|
| To secure deposits of public moneys in depositary banks | $478,410,800 | $439,809,100 |
| To secure deposits of postal savings funds | 33,728,600 | 30,911,450 |
| For the Board of Trustees, Postal Savings System | 1,972,552,340 | 1,703,927,080 |
| For District of Columbia: | | |
| Sinking fund | 104,420 | 104,420 |
| Teachers' retirement and annuity fund | 21,810,000 | 23,460,000 |
| Relief and rehabilitation fund | 757,950 | 827,375 |
| Other | 6,826,200 | 8,729,700 |
| For the Secretary of the Treasury: | | |
| Foreign obligations | 12,118,237,852 | 12,001,497,132 |
| Capital stock and obligations of Government corporations and agencies | 11,780,188,096 | 12,609,775,006 |
| Other | 3,290,288,868 | 3,423,957,757 |
| For Federal Deposit Insurance Corporation | 1,336,700,000 | 1,376,870,000 |
| Indian trust funds | 34,076,405 | 31,831,105 |
| United States savings bonds held for various depositors | 45,223,845 | 44,276,460 |
| Miscellaneous | 104,573,951 | 123,028,376 |
| Total | 31,223,479,327 | 31,819,004,961 |

Savings bonds placed in safekeeping with the Treasurer and those withdrawn were as follows:

| | Number | |
|---|---|---|
| | 1953 | 1954 |
| In safekeeping at beginning of year | 594,796 | 570,831 |
| Placed in safekeeping | 57,335 | 54,000 |
| | 652,131 | 624,831 |
| Withdrawn from safekeeping | 81,300 | 72,869 |
| In safekeeping at end of year | 570,831 | 551,962 |

Servicing of securities for Federal agencies and for certain other governments.--In accordance with agreements between the Secretary of the Treasury and various Government corporations and agencies and Puerto Rico, the Treasurer of the United States acts as special agent for the payment of principal of and interest on their securities (including pre-1934 bonds of the Philippine Government). The amounts of such payments during the fiscal year 1954, on the basis of the daily Treasury statement, were as follows:

| | Principal | Interest paid in cash | Registered interest | Coupon interest |
|---|---|---|---|---|
| Federal home loan banks | $593,440,000 | $9,319,350.38 | ............ | ............ |
| Federal farm loan bonds | 49,900 | 45.00 | $795,418.96 | $20,174,340.57 |
| Federal Farm Mortgage Corporation | 51,400 | 131.26 | ............ | 2,708.34 |
| Federal Housing Administration | 16,818,700 | 109,280.22 | 2,128,996.07 | ............ |
| Home Owners' Loan Corporation | 116,250 | 57.50 | ............ | 10,756.20 |
| Philippine Islands | 145,000 | ............ | 5,490.00 | 173,032.50 |
| Puerto Rico | 378,500 | 4,285.00 | 75,247.50 | 317,877.50 |
| Total | 610,999,750 | 9,433,149.36 | 3,005,152.53 | 20,678,715.11 |

# INTERNAL REVENUE SERVICE[1]

The Internal Revenue Service is responsible for the collection of the internal revenue and for the enforcement of the internal revenue laws and certain other statutes. These other statutes include the Federal Alcohol Administration Act (27 U.S.C. 201-212); the Liquor Enforcement Act of 1936 (18 U.S.C. 1261, 1262, 3615); the Federal Firearms Act (15 U.S.C. 901-909), and the National Firearms Act (26 U.S.C. 2721).

## Review of operations

Collections.--Internal revenue collections for the fiscal year 1954 totaled almost $70 billion, a slight increase over the preceding year, and the largest amount of internal revenue ever collected during any year.

Collections by tax sources for the fiscal years 1929-54 are shown in detail in table 10 in the tables section of this report. A comparison of collections from the principal sources of tax revenue for the fiscal years 1953 and 1954 follows:

Comparison of collections from the principal sources of tax revenue for the fiscal years 1953 and 1954

| Source | 1953 | 1954 |
|---|---|---|
| | In thousand of dollars | |
| Income and profits taxes: | | |
| Corporation | 21,594,515 | 21,546,322 |
| Individual: | | |
| Withheld by employer[1] | r 21,132,275 | 22,076,329 |
| Other[1] | 11,403,942 | 10,736,578 |
| Total income and profits taxes | r 54,130,732 | 54,359,229 |
| Employment taxes: | | |
| Old-age insurance[1] | 3,816,252 | 4,219,304 |
| Unemployment insurance | r 273,182 | 283,882 |
| Carriers taxes--old-age benefits | 628,969 | 605,221 |
| Total employment taxes | r 4,718,403 | 5,108,407 |
| Miscellaneous internal revenue: | | |
| Estate and gift taxes | 891,284 | 935,121 |
| Alcohol taxes | 2,780,925 | 2,783,012 |
| Tobacco taxes | 1,654,911 | 1,580,229 |
| Stamp taxes | 90,319 | 90,000 |
| Manufacturers' excise taxes | 2,862,788 | 2,688,262 |
| Retailers' excise taxes | r 496,009 | 438,332 |
| Miscellaneous taxes[2] | r 2,061,164 | 1,937,399 |
| Total miscellaneous internal revenue | r 10,837,401 | 10,452,354 |
| Total collections | r 69,686,535 | 69,919,991 |

NOTE.--These figures are from Internal Revenue Service reports of collections and are not directly comparable to budget receipts from internal revenue as reported in other tables. The differences arise chiefly because certain taxes paid currently into Treasury depositaries were not taken into account by the Internal Revenue Service until the quarterly returns supported by the depositary receipts were received in internal revenue offices. Under revised accounting procedures effective July 1, 1954, this practice will no longer be followed and tax payments made to Treasury depositaries will be included in Internal Revenue Service reports for the month in which the depositary receipts are issued. As of June 30, 1954, the amount of depositary receipts issued by Federal Reserve Banks, but not taken into account by internal revenue offices, totaled $3,944 million. No allowance is made in this table for the difference between these depositary receipts and those outstanding at the beginning of the year.

r Revised.

1 Estimated, for purposes of comparison with earlier years. Beginning January 1951, collections of tax withheld are not separated as between income tax and old-age insurance. The collections of old-age insurance tax imposed in self-employment income for taxable years beginning after December 31, 1950, are reported in combination with individual income tax other than tax withheld. The figures shown reflect the estimated components of the combined amounts.

2 Includes repealed taxes.

1 More detailed information will be found in the separate Annual Report of the Commissioner of Internal Revenue for the fiscal year 1954. The Bureau of Internal Revenue was designated as the "Internal Revenue Service" by Treasury Department Order No. 150-29, dated July 9, 1953.

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Workload.--The Internal Revenue Service workload continued at the high levels of recent years as 89 million tax returns of all types were filed during the fiscal year 1954, in addition to 230 million directly related information documents. The taxes reported on these returns were assessed and accounting operations were performed in connection with the amounts paid in. In addition, the income tax liability was computed for 11 million taxpayers filing returns on Form 1040A, and income tax refunds and credits were scheduled for the more than 32 million individuals whose prepayments exceeded their liabilities.

Verification of the mathematical steps shown in the taxpayers' computations on 48,857,246 income tax returns resulted in tax changes on 1,276,355 returns, with tax increases aggregating $78,437,849 and tax decreases totaling $18,995,095. Following the mathematical verification a preliminary inspection of the returns was made for the purpose of identifying and segregating the returns which are believed to be most in need of correction from the standpoint of noncompliance with internal revenue laws. These returns, together with those requiring investigation because of taxpayers' claims, offers in compromise, or other features which made examination mandatory, were referred to examining officers for more thorough consideration.

Enforcement activities.--The additional tax, penalty, and interest resulting from audits and investigations of all classes of returns, including fraud and racketeer investigations, and mathematical verifications totaled $1,454,539,247 for the fiscal year 1954. Collections on warrants for distraint during fiscal 1954 amounted to $536,331,402. This amount represents primarily collections of undisputed amounts of original tax assessed on returns as filed, which taxpayers have failed to pay when due and on which it was necessary to issue warrants for distraint to enforce collection. Occasionally, it also becomes necessary to collect additional assessments by distraint warrant, but these cases represent only a small portion of the total warrant collections.

The amount of additional tax resulting from enforcement efforts and amount collected on warrants for distraint during the fiscal years 1949 through 1954 are summarized in the following table.

| Fiscal year | Amount of additional tax, interest, and penalty | Amount collected on warrants for distraint |
|---|---|---|
| | In thousands of dollars | |
| 1949 | 1,891,679 | 346,509 |
| 1950 | 1,747,592 | 368,385 |
| 1951 | 1,856,603 | 376,506 |
| 1952 | 1,840,162 | 455,752 |
| 1953 | 1,555,962 | 505,592 |
| 1954 | 1,454,539 | 536,331 |

The decrease in additional tax, interest, and penalty for 1954 was occasioned by a number of factors, among which were: (1) The increase in the number of claims requiring audit consideration (the revenue results shown in the preceding table do not take into account the reduction of claimed refunds resulting from such con-

sideration); (2) heavy personnel turnover and the transfer of experienced examiners to other work including supervision, analysis, review, and training; and (3) the lag in recruitment of new revenue agents during the early part of the year due to lack of eligible candidates. The fact that all proposed deficiency assessments are now handled under procedures designed to give full consideration to appellate rights of taxpayers has also had its effect.

Total fraud investigations completed during 1954 numbered 4,057, including those racketeer cases in which fraud was suspected. Prosecution was recommended in 1,956 cases, while penalties of a civil nature without prosecution were recommended in 828 cases. During the year indictments were returned against 1,561 defendants. Indictments were refused in cases involving 14 defendants. In the cases reaching trial stage, 1,291 defendants were convicted or entered pleas of guilty or nolo contendere. The following table presents the record of convictions, including pleas of guilty or nolo contendere, for the years 1946 through 1954, in cases involving all classes of internal revenue taxes except alcohol or tobacco taxes.

| Fiscal year | Number of individuals convicted | Fiscal year | Number of individuals convicted |
|---|---|---|---|
| 1946 | 149 | 1951 | 324 |
| 1947 | 182 | 1952 | 563 |
| 1948 | 315 | 1953 | r 929 |
| 1949 | 346 | 1954 | 1,291 |
| 1950 | r 458 | | |

r Revised.

During 1954, the enforcement of internal revenue liquor laws resulted in the seizure of 11,266 illicit stills, together with 6,722,900 gallons of mash, 186,447 gallons of illicit liquors, and 2,409 automobiles and trucks. There were 9,058 persons arrested for violations of the internal revenue liquor laws; indictments were obtained against 6,144 persons; and 5,005 were convicted. The following table compares 1954 results with those for 1953 and certain earlier years.

| Fiscal year | Number of stills seized | Wine gallons of mash seized | Number of arrests made[1] |
|---|---|---|---|
| 1940 | 10,663 | 6,480,200 | 25,638 |
| 1945 | 8,344 | 2,945,000 | 11,104 |
| 1950 | 10,030 | 4,892,600 | 10,236 |
| 1951 | 10,177 | 5,545,400 | 10,384 |
| 1952 | 10,269 | 5,700,600 | 9,851 |
| 1953 | 10,699 | 6,151,100 | 9,370 |
| 1954 | 11,266 | 6,722,900 | 9,344 |

[1] Includes arrests for firearms violations and, beginning 1952, tobacco tax violations. Arrests during 1954 numbered 245 and 41, respectively.

Refunds.--Refunds of internal revenue taxes and the interest thereon, as required by law, are paid out of an appropriation separate from that covering the Internal Revenue Service administrative expenses. The total amount of these payments for the fiscal year 1954 was $3,468,624,682 as compared with $3,204,663,235 in the preceding year, with practically all types of taxes showing increases. Interest payments on refunds (included in these totals) increased from $74,363,186 in 1953 to $82,631,074 in 1954.

Settlement of disputes.--A taxpayer who does not agree with the findings of a district director with regard to his tax liability may file a formal protest requesting a conference to consider these findings. Formal protests by taxpayers are considered by the Appellate Division of the Service in an attempt to reach agreement with the taxpayers, thereby avoiding expensive and time consuming litigation.

The total number of protested cases disposed of by the Appellate Division during the year was 21,595, of which 14,737 cases were settled and 6,858 cases were appealed to the Tax Court. As a result of further hearings conducted in cases pending before the Tax Court (including cases not previously considered by the Appellate Division), settlement by stipulation was effected in 5,367 cases out of 6,858 cases disposed of, and the balance consisted of 300 cases closed by dismissal or default and 1,191 cases tried on their merits before the Tax Court. The backlog of disputed cases requiring Appellate Division consideration was reduced 27 percent during the year.

Rulings and other technical functions.--The technical functions of the Internal Revenue Service include the preparation and issuance of rulings and advisory statements to the public and revenue officials, the preparation of regulations and other tax guide materials, technical advice and assistance in the preparation and issuance of tax forms, and the development of programs for clarification and simplification of tax rules. Technical assistance also is provided in programs for legislative revision and in conducting the negotiation of tax treaties.

During the year a total of 51,060 requests for rulings and technical advice were processed, including the issuance of 45,848 rulings to taxpayers and 5,212 replies to requests of field offices for technical advice.

Much time and effort in the tax legislative field was centered in the development of two major tax bills, the Internal Revenue Code of 1954 (Public Law 591, approved August 16, 1954) and the Excise Tax Reduction Act of 1954 (Public Law 324, approved March 31, 1954). Assistance was also given other Government agencies in connection with the Social Security Act Amendments of 1954 (Public Law 761, approved September 1, 1954) and the Federal Unemployment Tax Act Amendments (Public Law 767, approved September 1, 1954).

Six tax treaties with foreign nations were ratified by the Senate during fiscal 1954, and three others were referred to the Senate for consideration.

Personnel.--The employees on Internal Revenue Service rolls at the close of the year (July 3, 1954) numbered 51,411, consisting of 2,707 employees in the National Office and 48,704 in the regional and district offices. At the close of the preceding year (July 4, 1953), the number of persons employed totaled 53,463, comprising 3,834 national office employees and 49,629 regional and district office employees.

The number of employees in the various branches of the Internal Revenue Service at the close of the fiscal years 1953 and 1954 is shown in the following table.

| Branch of service | Number on payroll at close of fiscal year | |
|---|---|---|
| | 1953 | 1954 |
| National office | 3,834 | 2,707 |
| Regional and district offices: | | |
| Supervisory personnel | 514 | 470 |
| Enforcement personnel: | | |
| Collection officers | 9,037 | 6,877 |
| Office auditors | 3,064 | 2,430 |
| Returns examiners | 1,002 | 1,141 |
| Revenue agents | 7,617 | 10,605 |
| Special agents (tax fraud) | 1,200 | 1,277 |
| Alcohol tax inspectors | 581 | 473 |
| Alcohol tax investigators | 832 | 824 |
| Storekeeper-gaugers | 1,294 | 1,208 |
| Total enforcement personnel | 24,627 | 24,835 |
| Other personnel: | | |
| Legal | 271 | 270 |
| Other technical | 2,786 | 2,387 |
| Clerical (excluding temporary), messengers, and laborers | 20,422 | 20,679 |
| Temporary employees | 1,009 | 63 |
| Total, other personnel | 24,488 | 23,399 |
| Total regional and district offices | 49,629 | 48,704 |
| Grand total | 53,463 | 51,411 |

Cost of administration.--The entire cost of Internal Revenue Service operations during the year, including all items of expense except the amounts refunded to taxpayers, was $268,969,107. The amount available for administrative expenses was $269,637,435 million, leaving an unobligated balance of $668,328.

## Management improvements

During the fiscal year 1954 the Internal Revenue Service continued its realignment of functions and decentralization of operational responsibility in furtherance of its efforts towards greater economy and efficiency. The functional realignments visualized in the reorganization plan were completed and operational responsibilities were decentralized to the greatest extent compatible with good management at this time, making it possible for the national office to concentrate more effectively on its primary responsibilities of policy planning and programming. Some of the specific measures instituted in working toward these goals are outlined in the following paragraphs.

Functional and personnel realignments.--One of the major accomplishments in this area was the separation of audit and collection functions and the transfer of delinquent accounts and returns work to the collection area. All audit functions were consolidated within the audit area under centralized authority, and qualified personnel were transferred from the collection area to the audit area in a number commensurate with the work transferred. The detail of a number of qualified personnel from the audit area to the appellate area enabled the Appellate Division to reduce its backlog of cases requiring consideration to more manageable proportions. The revenue accounting activity in the national office was converted from

one that had been largely operational in character to one concerned principally with providing direction and control of revenue accounting activities now performed in district offices.

The inspection program, which provides for the independent appraisal of Service operations, was revised to conform to the new organizational and management concepts and to provide top management with a more effective tool with which it can achieve better supervision and maintain the integrity of the Service's operating system as well as of its employees.

In the technical area national office responsibilities were reallocated so as to concentrate in separate groups the issuance of rulings, the study of technical tax problems, and the maintenance of reference material.

In personnel administration the work pertaining to the national office was established in a branch separate from that pertaining to the field offices, and greater emphasis was placed on the basic function of developing policies, programs, and procedures.

In the alcohol and tobacco tax area the retail liquor dealer program was converted from an inspection function to a law enforcement activity, with special emphasis on the perfection of cases for criminal prosecution and the referral of willful violations to State authorities. A committee was established to conduct basic studies with a view to the development of modernized and simplified systems of collecting liquor taxes and controlling liquor production. As a result of these studies a start was made in the direction of industry control through audits of proprietors' records rather than through direct supervision.

In the latter part of the year, all of the field legal functions and duties formerly performed by the Appellate, Enforcement, and Civil Advisory Counsels, and the Attorney in Charge (Alcohol and Tobacco Tax) were consolidated under the Regional Counsel with power to redelegate. In the national office, the organizational structure of the Chief Counsel's office was realigned to expedite the handling of cases.

Decentralization of activities and delegation of authority.--During the year all operational activities in the national office were, to the extent practicable at this time, decentralized to field offices. Substantial reductions in the number of national office personnel were made as a result of the shift in operating functions.

As part of the functional reorganization in the national office, additional authority was delegated to directors of internal revenue, including approval of assessment lists, scheduling of those overassessments in excess of $10,000 which do not require review by the Joint Committee on Internal Revenue Taxation, control of transferor-transferee cases, processing of receivership cases and informants' claims for rewards, classification and selection of gift tax returns for examination, and the housing of returns except those in certain categories for earlier years.

Authority also was delegated to district directors' offices to determine those cases requiring full scale fraud investigations. All operational phases pertaining to the enrollment of tax practitioners likewise were made a field responsibility. In the appellate area wider delegations of settlement authority were made to the field offices. Numerous alcohol and tobacco tax operating functions were

decentralized from the national office to field offices in order to achieve greater economy in the enforcement and administration of liquor and tobacco tax laws. Most legal work not requiring direct affirmative action by the Secretary of the Treasury, the Commissioner of Internal Revenue, or national office officials was transferred to regional counsels' offices.

Increased authority with regard to personnel matters was delegated to regional offices, including the handling of most disciplinary cases, the processing of longevity and step-increases for all positions, and the handling of compensation cases directly with the United States Employees Compensation Commission. Other decentralized functions relating to administrative matters included payment of obligations for purchase of equipment, travel, claims, etc.; disposition of surplus property; and the administration of programs for the microfilming and disposition of records.

Administration of payroll taxes.--Further progress was made during the year on plans for improved administration of payroll taxes. Essentially, these plans are based upon combined reporting of wages and taxes for income tax withholding and old-age and survivors insurance purposes. The Departments of the Treasury and of Health, Education, and Welfare have been working together in developing these plans, with the expectation of making recommendations for legislation.

Revised accounting system.--A new revenue accounting system was developed and a pilot installation made in a district office. The new system (replacing one in effect since 1919) will provide more complete, informative, and useful financial and management reports, and its internal check and control features will facilitate both internal and external audits. The system was scheduled for installation throughout the Service by the end of 1954.

Services to taxpayers.--The taxpayer assistance program has been revised to provide better service to the public with a minimum of interference with the audit and collection work. Additional emphasis was placed on the policy of conducting during one examination, wherever possible, a one-package audit of the taxpayer's books and records to determine his income tax liability and his liability for other Federal taxes rather than subjecting the taxpayer to the inconvenience and annoyance of two or more separate examinations at different times.

The publication in the "Internal Revenue Bulletin" of rulings affecting taxpayers' rights or duties was expanded. The first complete revision of income tax regulations (Regulations 118) since 1943 was published, as was a complete revision of the income tax withholding regulations (Regulations 120). A program was formulated for issuing regulations under the Internal Revenue Code of 1954, providing for: (1) The continuance in effect of regulations issued under the 1939 Code which are applicable to corresponding provisions of the new code; (2) interim interpretation of new provisions for the information of taxpayers; and (3) final regulations under the 1954 Code.

A system has been established to identify tax laws and regulations which generate controversy, inequities, and administrative difficulties, and which permit tax avoidance.

The review of more than 250 tax forms and instructions during the year resulted in a number of improvements, among which were

a new Form 1042, ''Annual Return of Income to be Paid at Source''; simplification of estate and gift tax forms; and replacement of Form W-3, ''Reconciliation of Quarterly Returns of Income Tax Withheld on Wages'', by the addition of a schedule to Form 941, ''Employer's Quarterly Tax Return''. The procedures relating to extensions of time for filing income tax returns of corporations were simplified by combining in one form the application for extension of time and a statement which is accepted in lieu of a tentative return, and by providing for the automatic granting of the extension where all requirements have been met.

A policy was instituted to effect final disposition of disputed issues at the earliest possible stage through maximum use of the informal conference procedure. Another policy adopted involves partial allowances of refunds or credits in cases where complete agreement has not been reached. Partial allowances are made in such instances to provide the taxpayer with earlier use of the funds and to reduce the Government's interest obligations.

Internal Revenue Service Advanced Training Center.--Plans were developed for the establishment of an Advanced Training Center for internal revenue agents to be conducted at the University of Michigan. The purpose of the Center is to broaden the training of the agents by instructing them in the knowledge and thinking of leaders of the academic, professional, and business worlds. Tentative plans call for instruction at the graduate level in advanced analytical accounting, tax law, tax procedures, economics, and finance, plus a limited number of other courses designed to meet their needs. Approximately 100 students were selected for the first semester of the training center, in the fall of 1954, and a like number will attend the second semester. Ultimate plans envision providing similar training for other professional and semiprofessional employees of the Service.

Posts-of-duty survey.--A survey was made of the Service's approximately 1,400 posts-of-duty for the purpose of appraising the need for the present number and locations of these suboffices in terms of the Service's program objectives and utilization of available manpower. As the fiscal year ended, the national office was formulating a broad policy governing realignment of suboffices.

Other improvements.--A regional audit management program was installed which provides for the use of uniform audit review procedures and for regional control of audit activities in district directors' offices in order to assure maximum uniformity in the application of the tax laws and in the attainment of audit goals. Efforts were made to develop a more balanced fraud investigation program by stressing the investigation of returns at all economic levels and in all geographical areas for all types of tax law violations. In keeping with this policy, the ''racketeer'' program was redefined to focus attention on major violators.

There was also developed an internal management documents system which provides for the designation and current maintenance of a single authoritative reference source for Revenue policies and procedures. A comprehensive program of review and revision of management reports was undertaken during the year, in order to provide the essential data needed in planning and organizing work, identifying backlogs, evaluating progress, performing other related

duties, and, at the same time, to reduce the reporting burden to the minimum consistent with this objective.

The management improvement program was expanded to meet the needs arising from a greatly reorganized and extensively decentralized Internal Revenue Service. A reporting system covering the program was established, as were procedures for the evaluation and dissemination of information and ideas resulting from the program.

New instructions for the conduct of internal audits eliminated many detailed procedures. Unwarranted or unproductive investigations have been eliminated by a thorough and careful screening of complaints.

Significant accomplishments in the field of administration included: Establishment of revised qualification standards for collection officer positions; improvements in and extension of training programs; establishment of a management development program to identify and train employees with leadership potential; introduction of new fiscal management methods; improvements in printing facilities, methods, and controls; development of a comprehensive schedule for retention and disposal of records; and the expansion of the public information program.

## OFFICE OF INTERNATIONAL FINANCE

The Office of International Finance assists the officers of the Department in the formulation and execution of policies and programs in international financial and monetary matters.

By direction of the Secretary, the responsibilities of the Office of International Finance include the Treasury's activities in relation to international financial and monetary problems, including such matters as the convertibility of currencies, exchange rates and restrictions, and the extension of stabilization credits; gold and silver policy; the Bretton Woods Agreements Act and the operations of the International Monetary Fund and the International Bank for Reconstruction and Development; foreign lending and assistance; the North Atlantic Treaty Organization; the activities of the National Advisory Council on International Monetary and Financial Problems; the Anglo-American Financial Agreement; the United States Exchange Stabilization Fund; and the Foreign Assets Control.

The Office acts for the Treasury on the financial aspects of international treaties, agreements, and organizations in which the United States participates, and it takes part in negotiations with foreign governments with regard to matters included within its responsibilities. It assists the Secretary on the international financial aspects of problems arising in connection with his responsibilities under the Tariff Act. The Office also represents the Treasury in the work of the subordinate organs of the National Advisory Council on International Monetary and Financial Problems, of which the Secretary of the Treasury is chairman.

The Office of International Finance advises Treasury officials and other departments and agencies of the Government concerning exchange rates and other financial problems encountered in operations involving foreign currencies. In particular, it advises the State Department and the Department of Defense on financial matters related to their normal operations in foreign countries and on the special financial problems arising from defense preparation and military operations. In conjunction with its other activities, the Office studies the financial policies of foreign countries, exchange rates, balances of payments, the flow of capital, and other related problems.

The Division of Foreign Assets Control administers certain regulations and orders issued under Section 5(b) of the Trading with the Enemy Act. The Foreign Assets Control Regulations block all property in the United States in which any Communist Chinese or North Korean interest exists and prohibit all trade or other financial transactions with those countries or their nationals. The Control carries on licensing activities in connection with transactions otherwise prohibited, takes action to enforce the regulations, and has taken a census of Chinese and Korean assets located in the United States.

The Control also administers regulations which prohibit persons in the United States from purchasing, selling, or arranging the purchase or sale of strategic commodities outside the United States for ultimate shipment to the Soviet bloc. These latter regulations supplement the export control laws administered by the Department of Commerce. In addition, the Control has responsibilities with respect to blocked accounts of approximately $9,000,000 received from the sale to Argentine interests of a Czechoslovak-owned steel mill sold pursuant to an order issued by the Secretary on March 25, 1954.

## BUREAU OF THE MINT[1]

The Bureau of the Mint manufactures domestic coins and also foreign coins for other governments when orders can be met without impeding the required coinage of the United States.

Other principal functions include physical custody of the Government's holdings of gold and silver, and their purchase and sale. Bullion is received in various forms, requiring assaying, melting, refining, and other forms of processing, movement, and storage. In addition, the Bureau administers in part Federal laws and regulations pertaining to the monetary metals, and performs certain services on a reimbursable basis for the public and for other Government agencies.

The number of employees ranged from 1,011 at the beginning of the fiscal year 1954 to 883 at the close of the year in seven field institutions and the Office of the Director in Washington. Institutions consist of three coinage mints located in Philadelphia, Pa., San Francisco, Calif., and Denver, Colo.; two assay offices

[1] More detailed information concerning the Bureau of the Mint is contained in the separate Annual Report of the Director of the Mint.

in New York, N. Y., and Seattle, Wash.; and two depositories for the storage of bullion, one for gold in Fort Knox, Ky., and one for silver in West Point, N. Y., which operates as an adjunct of the New York Assay Office. The mints, as well as the assay offices, receive, process, and store gold and silver. Electrolytic refineries are located in the Denver and San Francisco mints and the New York Assay Office.

## Coinage

The three mints manufactured a total of 1,452 million United States coins with a face value of $100 million during the fiscal year 1954, as follows:

| Denomination | Number of pieces produced | Face value | Gross weight[1] |
|---|---|---|---|
| | In millions | | Short tons |
| 1-cent pieces | 835 | $8 | 2,862 |
| 5-cent pieces | 162 | 8 | 894 |
| Dimes | 284 | 29 | 781 |
| Quarter dollars | 121 | 30 | 835 |
| Half dollars | 50 | 25 | 690 |
| Total | 1,452 | 100 | 6,062 |

[1] Includes 2,076 tons silver; 3,620 tons copper; 223 tons nickel; and 143 tons zinc and tin.

In addition to domestic coinage, the Philadelphia Mint manufactured 18 million foreign coins containing 78 tons of metals for the Governments of Costa Rica, Cuba, and the Dominican Republic. The San Francisco Mint manufactured 20 million coins containing 76 tons of metals for the Government of El Salvador.

The Bureau of the Mint was assigned additional duties in connection with the distribution of United States coins during the year. Treasury Department Order No. 179, effective December 1, 1953, transferred from the Treasurer of the United States to the Bureau of the Mint functions pertaining to distribution and transfer of current and uncurrent coins among the mints, Federal Reserve Banks, Federal Reserve branches, the Treasurer of the United States, and such other persons or institutions as necessary.

Requisition of coins for circulation totaled 1,213 million pieces during the fiscal year. Details are as follows:

| Denomination | Number of pieces shipped | Face value | Gross weight |
|---|---|---|---|
| | In millions | | Short tons |
| 1-cent pieces | 813 | $8 | 2,786 |
| 5-cent pieces | 132 | 7 | 725 |
| Dimes | 171 | 17 | 471 |
| Quarter dollars | 70 | 18 | 486 |
| Half dollars | 18 | 9 | 251 |
| Silver dollars | 9 | 9 | 273 |
| Total[1] | 1,213 | 68 | 4,992 |

[1] Includes 180,322 sets of proof coins sold.

The estimated stock of coins in the United States and its possessions, including coins held in the Treasury, in banks, and in the hands of the public, is compared at the beginning and close of the fiscal year 1954 in the following statement.

| Stock of coins | Face value (in millions) | | |
|---|---|---|---|
| | July 1, 1953 | June 30, 1954 | Increase, or decrease (-) |
| Silver dollars | $491.5 | $491.0 | -$0.5 |
| Subsidiary silver coins | 1,193.8 | 1,275.7 | 81.9 |
| Minor coins | 418.7 | 434.7 | 16.0 |
| Total | 2,104.0 | 2,201.4 | 97.4 |

## Gold

Gold holdings of the mint institutions ranged from 641.8 million fine ounces valued at $22,462.7 million at the beginning of the fiscal year 1954 to 626.5 million fine ounces valued at $21,926.9 million at the close of the year, a net decrease of 15.3 million ounces valued at $535.8 million. Transactions, exluding intermint transfers, are summarized for the fiscal year 1954 in the following table.

Gold transactions, excluding intermint transfers

| | Ounces | Value |
|---|---|---|
| | In millions | |
| Gold received: | | |
| Newly mined domestic gold | 1.5 | $51.0 |
| Secondary gold from domestic sources | .2 | 7.7 |
| U.S. coin, foreign deposits, operative recoveries, etc | .2 | 8.8 |
| Total | 1.9 | [1] 67.5 |
| Gold withdrawn: | | |
| Sold for domestic industry, profession, or art | 1.0 | 33.8 |
| Gold bar payment for gold deposits | .1 | 4.4 |
| Withdrawn by the Treasury for monetary purposes | 16.1 | 565.1 |
| Total | 17.2 | 603.3 |

[1] Include $370.32 increment on gold coin and bullion received at $20.67¢ per fine ounce.

## Silver

Silver bullion holdings of the Bureau of the Mint ranged from 1,339.1 million fine ounces valued at $1,685.0 million at the beginning of the fiscal year 1954 to 1,437.4 million fine ounces valued at $1,850.9 million at the close of the year, a net increase of 98.3 million ounces valued at $165.9 million. Transactions, excluding intermint transfers, are summarized for the fiscal year in the following table.

Silver transactions, excluding intermint transfers

| | Ounces | Value |
|---|---|---|
| | In millions | |
| Silver received: | | |
| Newly mined domestic silver | 33.8 | $30.5 |
| Secondary silver from domestic sources | .5 | .4 |
| Recoinage bullion from uncurrent United States coins withdrawn from circulation | 1.3 | 1.7 |
| Leased Treasury silver returned by other agencies of the Federal Government | 119.4 | 154.4 |
| Purchase from Reconstruction Finance Corporation | 4.2 | 3.0 |
| Foreign deposits, operative recoveries, etc | .1 | .1 |
| Seigniorage on bullion revalued as security for silver certificates | ............ | 9.4 |
| Total | 159.3 | 199.5 |
| Silver disposed of: | | |
| Manufactured into U.S. subsidiary coins | 60.5 | 33.2 |
| Silver bar payment for silver deposits | .5 | .4 |
| Sold in medals, sweeps, etc | (1) | (1) |
| Total | 61.0 | 33.6 |

[1] Less than 50,000 ounces or dollars.

Revenues deposited by the Bureau of the Mint in the general fund of the Treasury during the fiscal year 1954 totaled $73.8 million and were composed principally of seigniorage. Seigniorage on silver subsidiary coinage amounted to $50.4 million, on minor coinage $13.5 million and on silver bullion revalued from cost to monetary value as security for silver certificates, $9.4 million.

Internal audit

The scope of the internal audit program was expanded during the fiscal year and included the following:

(1) Appraisal and review in the Washington office of financial statements and reports submitted periodically by the field institutions;

(2) Audit surveys of the field institutions; and

(3) Annual settlements at the mints and assay offices and inspection of "joint seals" at the bullion depositories.

Typical auditing actions included:

(1) Review of accounting procedures and practices at the field plants;

(2) Review and examination of storekeeping and inventory procedures;

(3) Spot check of stores inventories, by physical count, of a representative number of selected items;

(4) Review of deposit procedures for compliance with mint regulations;

(5) Audit of cash transactions and verification of cash balances under the control of mint cashiers;

(6) Review of imprest-fund transactions and verification of cash balances under the control of imprest-fund cashiers;

(7) Audit of proof coin and medal sales at Philadelphia and verification of medal inventory;

(8) Review and appraisal of protection and security measures in effect at the various field installations; and

(9) Physical verification by weight and/or count of all gold and silver bullion, coin, cash and all other monetary assets not under "joint seal."

The results of the internal audit work performed indicate that:

(1) The accounting records are reliable and afford a full disclosure of the financial results of operations at the field plants;

(2) Reports submitted by the field establishments to the Washington office are in agreement with and supported by the accounting records;

(3) Prescribed accounting procedures are generally being observed;

(4) Mint regulations with respect to the receipt, processing, and payment of bullion deposits are being observed;

(5) Control over monetary assets, stores, equipment, and other values are satisfactory and adequate; and

(6) Protective and security measures in force are effective and provide adequate protection for the values in custody of the various mint establishments.

Management improvement

The management improvement program of the Bureau of the Mint continued actively during the fiscal year 1954. Management surveys of the coinage mints and the New York Assay Office, with emphasis on changes in organization and procedures for the purpose of reducing costs, were completed. Estimated annual savings resulting from the program are summarized in the following statement.

Management improvement program, Bureau of the Mint, fiscal year 1954

| Description | Estimated annual savings |
|---|---|
| 1. Shipment of minor coins in truckload lots by motor carrier and silver coins by armored truck where available, instead of Railway Express or parcel post | $250,000 |
| 2. Elimination of unnecessary guard posts | 38,000 |
| 3. Elimination of repeated weighing of coinage metals between processes | 38,000 |
| 4. Elimination of transfer weighing of coinage metals between melting and refining and coining divisions | 36,000 |
| 5. Consolidation of cashier's and deposits divisions | 20,000 |
| 6. Installation of overhead cranes handling 500-pound containers to deliver blanks to presses and remove finished coins from presses at Philadelphia. Eliminates manual handling and number of operators | 15,000 |
| 7. Construction of underground bins for copper and improved coin storage and loading facilities at Denver | 9,000 |
| 8. Design and construction of conveyor layout for handling silver bullion after casting operation at New York Assay Office. Eliminates manual handling of 1,000 ounce bars during stamping, cleaning, and inspection operations | 5,000 |
| 9. Installation of new annealing furnace and cleaning and drying equipment at San Francisco. Reduces cost of cleaning agents and number of operators | 5,000 |
| 10. Transfer to New York Assay Office of gold sales from Denver and mail deposit transactions from Philadelphia, and elimination of excess work connected with gold deposits and sales | 4,300 |
| 11. Construction and use of grapple lifting 24 gold bars at one time by New York Assay Office. Eliminates manual lifting of bars one at a time on and off truck or scale. Also decreases possibility of injury to employees | 4,000 |
| Total recurring annual savings to Mint operating appropriation and funds[1] | 424,300 |

[1] In addition, a warehouse formerly used by the Philadelphia Mint was released with annual savings of $5,700 to the General Services Administration, and a total of $32,898 was deposited as general fund receipts from the sale of surplus and obsolete supplies and equipment.

The estimates of United States gold and silver production and issue of gold and silver for domestic industrial, professional, and artistic use, made annually by the Washington office, are on a calendar year basis. Estimates for the calendar years 1952 and 1953 are summarized as follows:

| | Total fine ounces | |
|---|---|---|
| | 1952 | 1953 |
| Refinery production of newly mined domestic gold | 1,927,000 | 1,970,000 |
| Refinery production of newly mined domestic silver | 39,840,300 | 37,735,500 |
| Consumption of gold for nonmonetary use in the United States | 2,752,873 | 2,142,860 |
| Consumption of silver for nonmonetary use in the United States | 96,500,000 | 106,000,000 |

# BUREAU OF NARCOTICS[1]

The Bureau of Narcotics was established by the act of June 14, 1930 (5 U.S.C. 282-282a) as the principal agency for the enforcement of Federal laws pertaining to narcotics. Its functions, as broadened by subsequent legislation, are concerned chiefly with:

1. Regulation of production and distribution of all narcotic drugs and marihuana subject to the statutes, and synthetic drugs and sub-

[1] Further information concerning narcotic drugs is available in the separate Annual Report of the Commissioner of Narcotics.

stitutes determined by the Secretary of the Treasury to have properties comparable to those of morphine or cocaine;

2. Enforcement of the statutes and regulations prohibiting illegal traffic in narcotic drugs; and, in cooperation with other agencies, the prevention and curtailment of the illicit drug trade within the States and local communities; and

3. Primary responsibility for carrying out the United States' obligations under international agreements looking towards the effective control of production, import, and export of narcotic drugs.

The work of the Bureau of Narcotics falls therefore into regulatory activities having to do with the legal though restricted trade in and employment of narcotic drugs recognized as having beneficial medicinal properties; and the curtailment of traffic carried on for the illegal purpose of satisfying addiction, whether by the legitimate drugs or others (notably heroin) without recognized pharmaceutical efficacy. Increasing public awareness of the social as well as individual harm which results from the abuse of the narcotic drugs has brought State and local agencies into the field of energetic enforcement activities. As a result, the Bureau of Narcotics is more frequently called upon for assistance and technical guidance to State and municipal authorities. A similar broadening of the recognition of the problem of narcotics and interest in regulatory measures, have taken place at the international level. The Opium Conventions of 1912, 1925, and 1931, and the International Protocol of November 19, 1948, have led to the adoption of measures similar in many respects to those provided by United States legislation. More recently, the International Opium Protocol signed at the United Nations on June 23, 1953 (approved by the United States Senate in August 1954) will move more directly to limit the production of the basic material for a majority of narcotic drugs, within the producing countries. Turkey, which has in the past been one of the principal producers of opium, signed that agreement early in 1954.

With increased concern over the dangers inherent in abuse of the narcotic drugs, throughout the world, the past year has seen the adoption of more severe penalties for those engaged in the illicit traffic, both in other countries and in several of the States. Through cooperation with the French and Italian Governments, agents of the Bureau of Narcotics have reduced the quantities of heroin and opium available to the illicit traffic in the United States. This trend in international cooperation has unfortunately not extended to Communist China, which is at the present time the largest single source of contraband drugs.

During the fiscal year 1954 the total quantity of narcotic drugs seized in illicit traffic within the United States amounted to 5,109 ounces, in comparison with 4,383 ounces seized in 1953. Seizures of marihuana amounted to 1,416 pounds bulk, and 7,536 cigarettes, as compared with 939 pounds bulk and 16,702 cigarettes in 1953. Many principal dealers in illicit drugs were convicted, and heavy prison sentences were imposed under the act of November 2, 1951 (21 U.S.C. 174).

During the fiscal year there were approximately 275,000 persons registered with directors of internal revenue under the Federal narcotic and marihuana laws to engage in legitimate narcotic and marihuana transactions. Thefts of narcotics from persons authorized to handle the drugs decreased slightly in number during 1954 as the quantity reported stolen was 1,764 ounces as compared with 2,178 ounces in 1953.

The following table shows for the fiscal year the number of violations of the narcotic and marihuana laws by persons registered to engage in legitimate narcotic and marihuana activities and by persons who have not qualified by registration to engage in such activities, as reported by Federal narcotic enforcement officers.

Number of violations of the narcotic and marihuana laws reported during the fiscal year 1954 with their dispositions and penalties

| | Narcotic laws | | | | | | | | Marihuana laws | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Registered persons | | | | Nonregistered persons | | | | Nonregistered persons | | | |
| | Federal Court | | State Court | | Federal Court | | State Court | | Federal Court | | State Court | |
| Pending July 1, 1953 | 200 | | | | 1,408 | | | | 517 | | | |
| Reported during 1954: | | | | | | | | | | | | |
| Federal[1] | 171 | | | | 1,626 | | | | 565 | | | |
| Joint[1] | 13 | | | | 268 | | | | 188 | | | |
| Total to be disposed of | 384 | | | | 3,302 | | | | 1,270 | | | |
| Convicted: | | | | | | | | | | | | |
| Federal | 39 | | 4 | | 1,045 | | 209 | | 348 | | 94 | |
| Joint | 5 | | 2 | | 147 | | 104 | | 152 | | 48 | |
| Acquitted: | | | | | | | | | | | | |
| Federal | .......... | | .......... | | 27 | | 6 | | 10 | | 8 | |
| Joint | .......... | | .......... | | 7 | | 6 | | 8 | | 3 | |
| Dropped: | | | | | | | | | | | | |
| Federal | 154 | | 3 | | 358 | | 49 | | 137 | | 34 | |
| Joint | 2 | | 1 | | 48 | | 40 | | 63 | | 13 | |
| Compromised:[2] | | | | | | | | | | | | |
| Federal | 11 | | .......... | | .......... | | .......... | | .......... | | .......... | |
| Joint | .......... | | .......... | | .......... | | .......... | | .......... | | .......... | |
| Total disposed of | 221 | | | | 2,046 | | | | 918 | | | |
| Pending June 30, 1954 | 163 | | | | 1,256 | | | | 352 | | | |
| Sentences imposed: | Yrs. | Mos. | Yrs. | Mos. | Yrs. | Mos. | Yrs. | Mos. | Yrs. | Mos. | Yrs. | Mos. |
| Federal | 90 | 8 | 7 | -- | 3,314 | 9 | 442 | 5 | 1,018 | 5 | 179 | 1 |
| Joint | 8 | -- | 3 | -- | 597 | 10 | 198 | 8 | 421 | 11 | 99 | 2 |
| Total | 98 | 8 | 10 | -- | 3,912 | 7 | 641 | 1 | 1,440 | 4 | 278 | 3 |
| Fines imposed: | | | | | | | | | | | | |
| Federal | $20,585 | | $1,523 | | $173,805 | | $7,406. | | $28,937 | | $4,715 | |
| Joint | 555. | | 1,600 | | 16,012 | | 6,656 | | 7,333 | | 495 | |
| Total | 21,140 | | 3,123 | | 189,817 | | 14,062 | | 36,270 | | 5,210 | |

[1] Federal cases are made by Federal officers working independently while joint cases are made by Federal and State officers working in cooperation.

[2] Represents 11 cases which were compromised in the sum of $2,220.

The importation, manufacture, and distribution of opium and its derivatives are regulated by a system of quotas and allocations designed to limit their distribution to verified medical needs. Additional quantities of opium were imported during the year; coca leaf imports were sufficient both for medicinal purposes and for the manufacture of nonnarcotic flavoring extracts. The quantity of narcotic drugs exported in 1954 was slightly lower than in 1953; however, the export total is not significant in comparison with the quantity used domestically. The manufacture of opium derivatives continued at a relatively high level, principally because of the medical requirements for codeine and papaverine.

Progress continued during the fiscal year 1954 in the field of management improvement. The Bureau's procedures for handling and accounting for narcotics have been further improved and additional security has been provided for the workroom of the Drugs Disposal Committee. Improved legislation has been recommended to the States for treatment of addicts. Procedures have been worked out for the expeditious procurement of narcotics in civil defense emergencies.

## UNITED STATES COAST GUARD

### General

The basic duties of the United States Coast Guard, as prescribed in Title 14 of the United States Code, embrace the following: To enforce or assist in the enforcement of all applicable Federal laws on the high seas and waters over which the United States has jurisdiction, with particular reference to those laws relating to navigation, shipping, and other maritime activities; to promote the safety and efficiency of merchant vessels, with the object of preventing avoidable casualties, through the approval of plans, materials, and equipment used in their construction, repair, and alteration, the periodic inspection of merchant vessels and the licensing of their crews, and the enforcement of regulations for operation of motorboats; to develop, establish, maintain, and operate aids to maritime navigation such as lighthouses, lightships, lights, radiobeacons, loran and radio direction finder stations, buoys and unlighted beacons, as required to serve the needs of commerce and the armed forces; to perform any and all acts necessary to rescue and aid distressed persons, vessels, and aircraft, and to provide maximum protection to life and property on the high seas and waters over which the United States has jurisdiction, including operation of ocean station vessels and the International Ice Patrol; to maintain a state of readiness to function as a specialized service in the Navy in time of war; and to maintain and train an adequate reserve force.

A primary objective of the Coast Guard is the prevention of loss of life and property due to illegal or unsafe practices. The maintenance of safety and order in maritime activity is not limited to the strict enforcement of laws, but encompasses a program of education

for ship operators and boatmen, and the enlistment of their cooperation and self-regulation toward prevention of marine casualties.

The extent of Coast Guard operations during the past fiscal year was materially reduced because of the termination of hostilities in Korea. Decreased requirements for search and rescue facilities and ocean weather station coverage in the Pacific Ocean, and for port security activity, resulted in inactivation of 12 cutters and 11 aircraft, and a marked decrease in military and civilian personnel.

Law enforcement

The scope of the port security program conducted under Executive Order 10173, as amended by Executive Orders 10277 and 10352, was limited to the following: Controlling the entry of merchant vessels into designated port areas; supervising the loading of Class A explosives and administering the regulations relative to dangerous and hazardous cargoes; screening merchant seamen employed on certain categories of United States vessels and waterfront workers for admittance to waterfront facilities under certain specified conditions; and protecting specified categories of vessels and waterfront facilities in designated port areas from the waterside and, by spot checks only, from the shoreside.

Litigation involving the constitutionality of the merchant seamen screening program resulted in a decision by the Ninth Circuit Court of Appeals, confirming the decision of the District Court at Seattle, Wash., holding that the requirements of due process had not been met to the extent that the notice of the reasons for rejection was not sufficiently particularized to enable the rejectee to prepare his defense adequately. This situation has been remedied by appropriate amendments to the regulations requiring that specific information be furnished as to reasons for rejections; all rejectees who had been denied clearance under the prior regulations were afforded an opportunity to have their cases reprocessed.

During the year, 34,037 merchant mariners' documents bearing evidence of security clearance were issued. A total of 171 security appeal hearings were granted to those classed as poor security risks, and 85 of these were rejected.

In the category of longshoremen, warehousemen, pilots, and other waterfront workers, 67,654 persons were screened, 67,227 port security cards were issued, and 219 hearings were granted upon appeal by persons who had been found to be poor security risks. A total of 54 were rejected as poor security risks.

The following statistics reflect the volume of enforcement activity taken by the Coast Guard during the year.

| | |
|---|---|
| Vessels and motorboats boarded | 71,631 |
| Reports of violations of the Motorboat Act, 1940 (46 U.S.C. 526) | 4,642 |
| Reports of violations of the Oil Pollution Act, 1924 (33 U.S.C. 431 - 437) | 163 |
| Reports of violations of Port Security Regulations | 5,855 |
| Permits issued to load or discharge explosives | 1,440 |
| Total tonnage of explosives covered by above permits | 1,088,756 |
| Explosive loadings supervised | 1,420 |
| Inspections of other hazardous cargoes | 16,152 |
| Regattas patrolled | 931 |

The Coast Guard also assisted other Federal agencies having primary responsibility for the enforcement of the Oil Pollution Act (33 U.S.C. 431 - 437), anchorage regulations, laws relating to internal revenue, customs, immigration, quarantine, and the conservation and protection of wildlife and the fisheries.

Assistance operations

In discharging its responsibilities for the promotion of marine safety, the Coast Guard operates rescue facilities which comprise a system of lifeboat stations, radio stations, bases, vessels, and aircraft at strategic points along the coast and inland waterways. It also operates the International Ice Patrol in the North Atlantic Ocean; provides ice breaking service in rivers, harbors, and the Great Lakes; and maintains operations and communications centers in its several districts within the continental United States, Alaska, Puerto Rico, and Hawaii, and in Bermuda and Newfoundland.

Assistance rendered during fiscal year 1954 is summarized in the following statistics.

| | |
|---|---|
| Number of assistance calls responded to[1] | 19,402 |
| Number of instances of major assistance[2] | 2,096 |
| Number of instances of minor assistance | 8,984 |
| Value of vessels and aircraft assisted (including cargo) | $333,790,343 |
| Lives saved or persons rescued from peril | 3,407 |
| Number of vessels towed | 7,972 |
| Number of vessels refloated | 1,192 |
| Miles disabled vessels towed | 92,236 |

[1] The difference in the number of calls responded to and the number of instances of assistance rendered represents those cases in which the Coast Guard responded but in which assistance was given by some other source or was no longer needed or possible.

[2] "Major cases" are those wherein immediate danger to mariners, marine and air commerce was involved and which without Coast Guard assistance probably would have resulted in death, serious injury to persons, aircraft, or vessels, or great financial loss from damage to the craft.

Typical examples of assistance rendered by the Coast Guard during the year are as follows:

Coast Guard aircraft and surface craft of the Search and Rescue Group at Wake Island on July 12, 1953, joined with a large naval task unit in conducting an intensive search for a Transocean Air Lines DC-6 aircraft last reported about 300 miles east of Wake Island. The scene of the crash was located and 14 bodies were recovered.

Assistance which Coast Guard patrol vessels are rendering to the American fishing fleet in the Campeche Banks area off Mexico is illustrated by an incident which involved the fishing vessel Jeanne M. This vessel reported that she was sinking off Campeche Banks on July 9, 1953. The Coast Guard Cutter Cartigan, on patrol, placed a pump-and-bucket brigade aboard, pumped the vessel free of water, and completed necessary repairs so that the Jeanne M could resume her regular fishing operations.

An instance of the use of Coast Guard equipment deployed in the Pacific to meet a Navy requirement for rescue facilities due to extended operations in that area was the case of a Navy aircraft forced to land in the open sea, 100 miles west of Luzon, Philippine Islands, because of an engine fire. A Coast Guard seaplane stationed at Sangley Point proceeded to the area, landed in the open sea, picked up five Navy men from liferafts, and returned them to the Naval Station at Sangley Point.

Lifeboat stations on the Massachusetts coast were employed in rescue operations following the grounding of the Panamanian vessel S/S Eugenia on September 7, 1953, as a result of the heavy weather generated off Cape Cod by Hurricane Carol. The Cape Cod Lifeboat Station removed 13 crewmen from the vessel by breeches buoy, and 4 via the DUKW, an amphibious type of surface craft.

An unusual instance of removing personnel from a vessel occurred when the 6000 ton S/S Maryland, an ore carrier, grounded off Marquette, Mich., on September 12. A coordinated rescue was effected using breeches buoy and helicopter. A Coast Guard helicopter, in the face of driving wind and rain, removed 12 crew members from the vessel. The weather was so violent during this operation that the combined efforts of both pilots were required to hold the controls and stabilize the aircraft. There were no casualties.

On September 14 the Coast Guard Cutter Yakutat, patrolling Ocean Station DELTA, assisted the Spanish merchantman S/S Marte, dead in the water with a gaping hole at the waterline, in position 750 miles southeast of Argentia, Newfoundland. The Yakutat placed a repair and salvage party aboard the disabled vessel, and by pumping the bilges and constructing a bulkhead of concrete, temporary repairs were made which enabled the S/S Marte to proceed at reduced speed to St. Johns, Newfoundland.

Heavy rains from November 18 to 23, 1953, in the Coquille, Coos, and Willamette River Valleys of western Oregon caused flooding of the lowland areas and isolation of some towns, necessitating the evacuation of families and livestock. Highways were blocked by slides and high water, and a Coast Guard flood relief detail of boats, men, and aircraft participated in relief assistance measures, cooperating with the Red Cross and civil authorities.

On May 27, 1954, the aircraft carrier Bennington; with about 2,000 persons aboard, suffered an explosion and fire 35 miles south of Brenton Reef Lightship. About 100 persons were injured. Aircraft from Salem Air Station and Quonset Point proceeded to the scene, assisted in transporting medical personnel to the Bennington, and provided air cover for all helicopter operations. One Coast Guard helicopter made 7 landings aboard the Bennington and transported a total of 18 injured; another transported 14 injured to the hospital.

Many commercial passenger-carrying transoceanic aircraft experiencing engine trouble or failure were intercepted and escorted to safety by Coast Guard aircraft. The volume of this workload was large, especially at the main termini and major waypoints along the ocean air routes, such as New York, San Francisco, Honolulu, Bermuda, and Argentia. These precautionary intercepts contributed materially to the safety of air commerce.

Marine inspection and safety measures

No inspected and certificated American passenger vessel was involved in any serious casualty during the year, nor did any passenger lose his life because of a marine casualty involving an inspected passenger vessel.

The duties performed by the Coast Guard in promoting safety of life and property on vessels subject to navigation and vessel inspection laws of the United States include promulgation and related enforcement of regulations relating to inspection of vessels and their equipment, construction and repair of vessels, investigation of marine casualties, manning and citizenship requirements, mustering and drilling of crews, protection of merchant seamen, licensing of officers and pilots and certificating of seamen, load line requirements, pilot rules, transportation of dangerous cargoes on vessels, outfitting and operation of motorboats, licensing of motorboat operators, and regattas and marine parades.

Of primary importance to maritime nations was the coming into effect on January 1, 1954, of the "Regulations for Preventing Collisions at Sea, 1948" which are commonly known as the "Revised International Rules of the Road." These rules are an outcome of the International Conference on the Safety of Life at Sea, 1948, and, upon acceptance by maritime countries including the United States, became law. One hundred and thirty thousand copies of the Coast Guard publication, "Rules to Prevent Collisions of Vessels and Pilot Rules for Certain Inland Waters, Etc." which incorporated these changes, were distributed.

Effort was directed toward solution of the oil pollution problem during the year. Although pollution in United States waters is less critical than it was a quarter century ago, the sharp rise in domestic consumption of oil has made it of continuing importance. Considerable interest has been shown in the problem abroad, particularly by the North Atlantic and western European nations. The United States participated during April and May in the International Conference for the Prevention of Pollution of the Sea by Oil, and although it did not become a party to the Convention there devised, assurances were given by this country that research and education would be redoubled to help eliminate this problem, that technical information would be made available to other interested nations through the medium of the United Nations, and that serious study and consideration would be given to the Convention of 1954.

There were 2,677 marine casualties reported, of which 1,760 received detailed investigation. Of the casualties receiving detailed investigation, 14 were by marine boards of investigation. There were 287 lives lost in 149 of these casualties. The investigations were held to determine causes of such casualties, place responsibility therefor, and institute corrective safety measures where indicated. The most serious casualty that occurred during the year was the collision of the tankers Atlantic Dealer and Atlantic Engineer in the Delaware River on December 30, 1953, when nine crew members perished.

The marine safety record on the navigable waters was marred by the loss of life resulting from outboard motorboat accidents. While casualties such as the capsizing of a 12-foot outboard motorboat

on Hauser Dam Lake in Montana on May 3, 1954, with the loss of nine lives, and the capsizing of an 18-foot kit-built outboard motorboat on Lake St. Clair on May 16, 1954, with the loss of eight lives were unusual, casualties involving outboard motorboats with the loss of one to five lives have been frequent.

A new Coast Guard inspired nonprofit organization known as the "American Boat and Yacht Council" was recently incorporated under the laws of the State of New York. The objective of the council is to make the knowledge, experience, and skills of small craft technicians available to industry, government, educational institutions, boating organizations, and the general public. To accomplish this objective, the Council intends to develop and make available recommended practices and engineering standards for improving and promoting the design, construction, equipage, and maintenance of small craft. By fostering this attempt at self-regulation, it is hoped that the serious motorboat accident experience of recent years may be reduced.

The Merchant Marine Council held 20 regular committee meetings and 3 public hearings to consider proposed amendments to regulations, and proposed legislation affecting maritime safety. Among other matters, specific consideration was given to: The revision of regulations defining boundary lines of inland waters from Mobile, Ala., westward to the Rio Grande; new regulations dealing with manning requirements for vessels subject to the Officers Competency Certificates Convention; revision of the "Rules Governing the Transportation of Military Explosives"; promulgation of new policies with respect to the review of examiners' decisions in suspension and revocation proceedings against merchant mariners' documents and licenses; and completely revised specifications for life preservers, emergency drinking water, and combination hose nozzles. Panels of consultants and advisers from the industry assisted the Council in preparing these regulations.

A digest of certain phases of the marine inspection activities follows:

| | Number of vessels | Gross tonnage of vessels |
|---|---|---|
| Annual inspections completed[1] | 5,851 | 17,704,437 |
| Dry dock examinations | 4,956 | 19,353,728 |
| Reinspections | 2,668 | 8,896,389 |
| Special examinations by traveling inspectors of passenger, tank, and dry cargo vessels | 255 | ... |
| Miscellaneous inspections | 21,401 | ... |
| Undocumented vessels numbered under provisions of act of June 7, 1918, as amended (46 U.S.C. 28)[2] | 359,183 | ... |
| Violations of navigation and vessel inspection laws | 5,290 | ... |
| Factory inspections[3] | ... | ... |
| Merchant vessel plans reviewed | 11,728 | ... |

[1] Includes 279 vessels, totaling 604,198 gross tons, which were conversions or new construction completed during the year.

[2] The total of vessels numbered is 1,018 less than that reported for the fiscal year 1953, mainly because of removal from the records of 7,629 vessels which are exempt from the numbering requirements. This represents a net gain of 6,611 numbered vessels. During the past three years a total of 133,971 vessels which are exempt from the numbering act have been removed from the records.

[3] There were factory inspections of 461,445 items of equipment.

Merchant marine personnel.--The licensing and certificating of merchant marine personnel included issuance of 79,319 documents. Of this number 22,695 were issued to persons without prior sea service and 1,121 were licenses issued to radio officers under the provisions of the act of May 12, 1948 (46 U.S.C. 229(c)). In the interest of national defense 110 individual waivers of manning requirements for merchant vessels were issued. Shipping commissioners supervised the execution of 12,522 sets of shipping articles in connection with the shipment and discharge of seamen.

Merchant marine investigating units in major United States ports and merchant marine details in London, Antwerp, Bremerhaven, Naples, Trieste, Piraeus, and Yokohama continued to operate in the administration of discipline in the merchant marine in accordance with the provisions of Section 4450 of the Revised Statutes, as amended (46 U.S.C. 239(d)). During the year a total of 12,160 investigations of cases involving negligence, incompetence, and misconduct were conducted. As a result of these investigations, charges were preferred and hearings held on 1,227 cases by civilian examiners. Disciplinary action was taken on 1,101 of the cases heard.

## Aids to navigation

On June 30, 1954, a total of 38,451 aids to navigation were maintained in the navigable waters of the United States, its Territories and possessions, the Trust Territory of the Pacific Islands, and at overseas military bases. These aids consisted of loran stations, radarbeacon stations, light stations, fog signal stations, radiobeacon stations, lightships, lighted and unlighted buoys, minor lights, and daybeacons.

During the year, 1,443 new aids were established and 1,248 aids were discontinued, resulting in a net increase of 195. In general, the majority of the changes in aids to navigation were made to mark completed river and harbor improvements in the principal harbors of the United States and the Intracoastal Waterway from Norfolk, Va., to the Mexican border. However, additional changes were made in aids because of changes in natural channels in order to provide the mariner with adequate aids to insure safety of navigation.

As a result of a continuing review of the need for aids and the changing or relocating of aids to effect economies and improve the system, six radarbeacon stations were disestablished and one was transferred to the Navy Department.

The world-wide loran system of June 30, 1954, comprised 53 stations, of which 40 were operated by the Coast Guard. During the year, three stations in Newfoundland and Labrador were transferred to Canada, and four new Coast Guard operated stations were placed in service in the Philippine and Caroline Islands.

## Ocean stations

The Coast Guard maintained five ocean stations in the North Atlantic Ocean and two in the Pacific throughout the year. Three additional stations were maintained in the Pacific for approximately the first six months of the year. One additional North Atlantic

station was operated by the Coast Guard two-thirds of the time, and by the Netherlands the remainder.

Ocean station vessels provided search and rescue, communications, air navigation facilities, and meteorological services in the ocean areas regularly traversed by aircraft of the United States and other cooperating governments. During 1953, Coast Guard vessels transmitted over 60,000 weather reports, made approximately 40,000 radio contacts with aircraft, rendered assistance in 36 cases, and cruised approximately 700,000 miles in connection with this program.

International Ice Patrol

The post-season activities of the International Ice Observation and Ice Patrol Service in the North Atlantic Ocean for the 1953 season consisted of an oceanographic survey made by the Coast Guard Cutter Evergreen from July 7, to July 27, 1953, in the area northerly from the Grand Banks to Cape Farewell, Greenland. Preliminary aerial ice reconnaissance for 1954 by aircraft operating from Argentia, Newfoundland, commenced on February 5, 1954, and routine aerial ice reconnaissance was begun February 16, 1954. Although the North Atlantic shipping lane then in effect was menaced by ice in late May and early June, a surface patrol was not inaugurated as the positions of the ice were accurately known and the danger to shipping was temporary. The Coast Guard Cutter Evergreen made four cruises carrying out the program of oceanographic surveys in the vicinity of the Grand Banks of Newfoundland.

Bering Sea Patrol

The Bering Sea Patrol was carried out by the Coast Guard Cutter Storis from July 6 to September 28, 1953. The purposes of this patrol are the protection of life and property, protection of the seal herds and other wildlife, law enforcement and transportation of a floating court in the administration of justice, the furnishing of medical and dental assistance to natives and others in remote localities in the areas contiguous to the Bering Sea and Arctic Ocean, and the logistics support of isolated Coast Guard facilities. During the patrol the Storis cruised 8,824 miles, carried 12 passengers on missions in the public interest, transported 143.6 tons of freight, and rendered medical treatment to 1,687 persons and dental treatment to 697 persons.

Operational training

In pursuance of the Coast Guard's responsibility to function as a specialized service in the Navy in time of war, 180 vessels and 50 aircraft participated in Coast Guard or Navy training exercises. The most advanced exercises were those conducted at Navy fleet training commands by the 30 large cutters. These vessels, which train under the Navy curriculum for similar types, performed very creditably in this training and are generally classified by the Navy as "ready for fleet operations." The smaller vessels and aircraft have been trained to a degree consistent with their peacetime operational duties in unit exercises such as antisubmarine, gunnery, damage control, search and rescue, and defense against unconventional weapons.

Facilities, equipment, construction, and development

Floating units.--The larger ships in active commission at the end of the year consisted of 183 cutters and buoy tenders of various types, 74 patrol boats, 36 lightships, 39 harbor tugs, and 12 buoy boats. During the year they cruised 3,076,650 miles as compared with 3,299,215 miles the previous year. Included in the 183 cutters are two special units, the Coast Guard Cutter Courier and the Coast Guard Cutter Eagle. The Courier, a 339-foot vessel equipped with radio broadcasting facilities, is manned and operated by the Coast Guard for the United States Information Agency. The Eagle, a 295-foot bark, is used exclusively for training purposes and is placed in commission each year for the Coast Guard Cadet practice cruise.

Construction of the new Coast Guard-designed, diesel-powered, steel, seagoing 95-foot patrol boats was completed in January 1954. Operational performance of these boats has been excellent.

The conversion of two steam-propelled buoy tenders was started during the year. Conversion consists of replacing the steam plant with diesel reduction gear installations having pilothouse control, replacing old buoy-handling equipment with the latest and most efficient gear, and modernizing the living accommodations. This conversion and modernization will extend the useful life of the tenders an estimated fifteen years, as well as increase economy and efficiency in operation.

Eleven destroyer escort vessels were deactivated, preserved by dehumidification, decommissioned, and returned to the Navy. One destroyer escort is in process of being preserved. This deactivation of vessels on loan from the Navy is due to the curtailment of the ocean station program.

Shore establishments

Shore establishments at the end of the fiscal year included:

12 district offices
2 area offices
4 inspection offices
4 section offices
25 bases
23 depots
2 supply centers
10 supply depots
1 receiving center
1 training station
1 academy
9 air stations
11 air detachments
1 aircraft repair and supply base
15 radio stations
144 lifeboat stations
38 loran transmitting stations
46 marine inspection offices
7 merchant marine details located in foreign ports
11 examiner offices
34 group offices
1 shipyard
311 manned light stations
57 light attendant stations
1 fog signal station
3 radio beacon stations
1 electronic engineering station
27 recruiting stations
5 ship training detachments
13 electronic repair shops
1 field testing and development unit
9 moorings

Captain of the Port offices, supplemented by port security units, continued to be maintained in major shipping centers.

Six of the search and rescue groups previously established to meet

the needs of the increased military operations in certain strategic areas were disestablished during the year as a result of decreased requirements.

Construction projects were completed on loran transmitting stations at Nantucket, Mass., Folly Island, S. C., Hobe Sound, Fla., Cape Blanco, Oreg., Point Grenville, Wash., Point Arena, Calif., Point Arguello, Calif., and at four locations in the Western Pacific area. Work was completed on the extension or replacement of seaplane ramps, together with paving reinforcement, at air stations in St. Petersburg, Fla., Elizabeth City, N. C., and San Francisco, Calif., to accommodate new P5M1 aircraft. Other work completed included an industrial shop at the Coast Guard Base, Sault Ste. Marie, Mich., and the rebuilding of the launchway at Point Arguello Lifeboat Station.

Construction projects begun during the year and still in progress are loran transmitting stations at three locations in the Arctic area; construction of a steel pile bulkhead at the Coast Guard Base, Woods Hole, Mass., and restoration of the Elbow of the Cross Ledge Light, Del., which was damaged by a private vessel. Other work in progress includes the construction of the St. Johns River Light Station, Fla., to replace the St. Johns Lightship, and the construction of a wharf and buoy slab at the Coast Guard Base, Key West, Fla.

Aircraft.--The number of fixed and rotary wing aircraft operated by the Coast Guard was gradually reduced from 137 to 126 during the year. This reduction was the result of the curtailment of certain search and rescue functions in the Pacific. The aircraft were deployed from nine air stations and fourteen air detachments, of which two of the latter were decommissioned during the year. The air detachments remaining in operation outside the United States were located at Argentia, Newfoundland; Bermuda; San Juan, Puerto Rico; Honolulu, T. H.; Guam, M. I.; Sangley Point, R. P.; Annette Island, T. A.; and Kodiak, T. A.

In carrying out various duties, 18,617 sorties were flown for a total of 44,443 hours. Aircraft flew 1,458,035 ton-miles of supplies and equipment in logistic support of isolated Coast Guard shore units not served by regular commercial air or surface transportation.

Thirty fixed wing and eleven rotary wing aircraft were acquired as replacements for overage aircraft, enabling the last of the PBY-5A amphibians which had been used by the Coast Guard throughout World War II to be retired from service.

Communications.--A number of Coast Guard stations have instituted a radio watch on the new International Survival Craft frequency 8364 kc/s, which came into world-wide effect on September 1, 1953, in conformance with the Atlantic City Radio Regulations, replacing the United States calling and distress frequency 8280 kc/s. The guarding of 8280 kc/s was discontinued July 1, 1954.

New developments.--The successful operation of semiautomatic loran transmitting stations has been a significant development in electronic aids to navigation. Field trials and in-service operation have proven the feasibility and practicability of operating loran transmitting stations with minimum supervision. The increased complexity of electronics installations has been offset by a reduction in operating personnel where semiautomatic installations have been made.

Several automatic direction finder installations, designed by the Coast Guard for marine use, were placed in operation for evaluation. This equipment, in addition to covering the marine radiobeacon band, was especially designed to cover small boat radiotelephone frequencies.

A program of electronic equipment modernization has been vigorously prosecuted, including the replacement of radar, communication, and homing equipment for aircraft. For vessels, the program includes installation of improved echo-sounding and echo-ranging equipment, automatic direction finders, and improved communication equipment. For units ashore, a remote controlled receiver has been developed to improve radio reception where required, and a remote-controlled radio direction finder has been developed which will provide more accurate bearings without requiring additional manned facilities.

Installation of an integrated spare parts system for electronic equipment has been underway on larger Coast Guard vessels, and at radio, radio-beacon, and loran transmitting stations. This system bases the allowance of electronic spare parts required for maintenance purposes upon the overall installation, instead of upon a separate allowance for each piece of equipment. Inasmuch as many spare parts are common to several pieces of equipment, a considerable reduction in inventories and storage space with no loss in reliability of operation has been realized.

Ship Structure Committee.--The Ship Structure Committee continued its research program to improve the hull structures of ships. Under the chairmanship of the Engineer in Chief of the Coast Guard, the Committee consists of members of the various agencies principally concerned with ships, i.e., Navy Department, Maritime Administration, the American Bureau of Shipping, and the Coast Guard. The National Academy of Sciences -- National Research Council continues to contribute important technical assistance and advice.

## Personnel

On June 30, 1954, the military personnel strength of the Coast Guard on active duty was 29,154, consisting of 2,653 commissioned officers, 700 commissioned warrant officers, 303 cadets, 156 warrant officers, and 25, 342 enlisted men. The civilian force consisted of 2,199 salaried personnel, 2,253 wage board employees and 511 part-time lamplighters. This is a reduction of 879 below the civilian force on June 30, 1953, exclusive of vacancies.

On May 28, 1954, 88 cadets were graduated from the Coast Guard Academy and were commissioned as ensigns. In the 1954 nationwide competitive examination for appointment as cadets, 463 received passing grades from among the 1,024 persons who took the examination. From this number 200 were appointed as the Class of 1958.

The commissioned officer strength was decreased by 524 officers during the year. New appointments consisted of 88 Academy graduates, 10 officers from the Merchant Marine under the authority of the act of August 4, 1949 (14 U.S.C. 225), and 247 graduates of the officer candidate school from among qualified commissioned warrant and warrant officers and enlisted men of the Coast Guard.

These additions were more than offset by the release of reserve officers from active duty, and the retirement or resignation of regular officers. The warrant officer strength was decreased by 50 during the year in order to meet the number authorized for 1955.

During the year, 10,492 men applied for enlistment in the Coast Guard. Of these, 3,738 were enlisted; 2,637 were rejected for physical reasons; 3,324 were rejected for other reasons; 472 were accepted but failed to enlist; and 321 applications were pending on June 30, 1954. A total of 2,328 men were enlisted in the Coast Guard Reserve.

In March of 1954 an early release program was adopted whereby nonrated men were released six months prior to the normal expiration of enlistment. The purpose of this program was twofold: To lessen the heavy attrition expected in the middle of fiscal 1955; and to permit more uniform recruiting quotas throughout the year, thereby promoting greater efficiency in recruit training.

In fiscal 1954, enlisted reservists without previous active duty were voluntarily called to active duty under the provisions of Section 4(c)(2) of the Universal Military Training and Service Act, as amended (50 App. U.S.C. 451-473). On June 30, 1954, there were 1,994 reserves on active duty.

There were 316 voluntary enlisted retirements during fiscal 1954. The minimum length of service completed was 24 years and 4 months. One hundred and eighty-two men were retired for age, 30 years service, or physical disability.

A comprehensive program of specialized postgraduate training for officers was continued during the year. Forty-five officers completed training, 37 continued in advanced stages, and 33 commenced training. A total of 47 officers completed basic flight training and specialized courses in helicopter and instrument flights. In addition, short refresher courses were arranged through the cooperation of the Navy to enable crews of Coast Guard vessels to maintain the high standard of military readiness necessary for mobilization. A total of 366 officers completed these and other short technical courses during the year.

The advanced training program for petty officers was curtailed during the fiscal year. The average number of persons in training per month was 865; a total of 1,679 were graduated from Coast Guard petty officer schools; and 1,108 were graduated from Navy and other service schools. Enrollments in Coast Guard Institute courses totaled 10,325, and 3,193 persons completed courses during the fiscal year. Enrollment of Coast Guard personnel in correspondence courses, self-teaching courses, and university extension courses through the Armed Forces Institute totaled 2,293.

In July 1953, a comprehensive officer promotion examination program was inaugurated. Examinations were scheduled every four months. Officers in each grade below that of permanent captain were required to take an examination in a particular subject every four months. Two of these series of examinations have been completed, with 1,460 officers participating in 7 examinations in January, and 1,647 officers participating in 14 examinations in May.

The Coast Guard continued its program of cooperation in the training of foreign nationals. During 1954, various training programs

were arranged for 27 visitors from Japan, Formosa, the Philippines, Panama, Haiti, Iceland, Thailand, Greece, Turkey, Israel, Sweden, and Germany. These training programs covered aids to navigation, port security, vessel inspection, weather patrol, and search and rescue activities.

Public Health Service support.--On June 30, 1954, 40 dental officers, 35 medical officers, 9 nurses, 1 scientist officer, and 1 sanitary engineer officer were assigned to duty with the Coast Guard. Adequate coverage by medical officers was maintained during the year for ocean station vessels.

Coast Guard Reserve.--The purpose of the Coast Guard Reserve is to provide a trained force of officers and enlisted personnel to augment the regular forces and enable the Coast Guard to perform its functions and duties at the time of mobilization. Significant strides were made during the past year toward increasing the size of the Reserve and the number of personnel trained. As of June 30, 1954, the total strength of the Coast Guard Reserve was 3,669 officers and 16,132 enlisted personnel, representing an overall increase of 12.5 percent for the year. There were 1,227 officers and 5,377 enlisted men receiving training, an increase of 18.6 percent. Seventeen new organized reserve units were established, and on June 30, 1954, there were a total of 94 organized reserve training units in commission. An extensive program of active duty training was carried out, and approximately 3,831 personnel received such training.

Military justice.--The number of courts-martial cases continued to decline with a total of 850 records received during the year as against 1,342 in the previous year. Twenty-one were general courts-martial involving 25 defendants, of whom two were commissioned officers and two warrant officers. There were 189 special courts-martial and 640 summary courts-martial. Pursuant to provisions of the Uniform Code of Military Justice, 13 general courts-martial and 50 special courts-martial were submitted for review to the Treasury Department Board of Review. One case was certified to the United States Court of Military Appeals.

Personnel safety program.--During the year, no civilian employee fatalities occurred and 24 military fatalities were reported. The Coast Guard had an exposure of 11,663,592 military man-days with 1,111 disabling injuries; 9,895,387 civilian man-hours with 90 disabling injuries; 12,873,540 vehicle miles with 4 disabling injuries. A total of 2,003 accidents were reported.

## Administration

Fiscal and supply management.--The effectiveness of the accounting program of the Coast Guard was improved by a number of modifications. The most significant of these were: Simplification of accounting classification of expenditures; publication of operation cost reports on a quarterly basis instead of monthly; extension of punched card checks to cover payment of Coast Guard Yard personnel; installation of a simplified accounting and payment procedure for small purchases; extension of mechanical accounting processes to audits; and improvements in operating cost report forms to provide more useful reports to management. The program

of internal audit was intensively carried on to measure the performance of management against established standards and to reveal areas where improvement was necessary.

Improvements in the supply program included the following: The relocation of the Coast Guard Supply Depot, Cleveland, Ohio, to the Naval Supply Depot, Great Lakes, Ill., to effect economies in operation, procurement, and distribution; declarations of excess stock totaling over $5,000,000, thereby eliminating from inventories obsolete, excess, and nonusuable items; the disposal by sale of excess and scrap materials valued at $1,212,732 that formerly were contained in reported inventories; and the addition to inventory of items required for repetitive use as determined by usage figures accumulated at each authorized issuing unit.

Efforts were continued toward the modernization of the Coast Guard's fleet of vehicles. Seventeen passenger vehicles, 79 trucks, 89 trailers, and 2 pieces of special equipment were eliminated. The number of different types of vehicles was also reduced.

## Coast Guard Auxiliary

The primary activity of this voluntary, nonmilitary organization which is active in 328 communities, is the promotion of safety and efficiency in the operation of small boats. During the fiscal year, the Auxiliary completed examinations of 25,262 motorboats, patrolled 236 regattas, and answered 1,892 calls for assistance. Additionally, the Auxiliary has promoted publicity directed at safety upon the water. At the end of the fiscal year 1954, the Auxiliary had 12,920 members and 7,647 facilities.

## Funds available, obligations, and balances

The following table shows the amount of funds available for the Coast Guard during the fiscal year 1954, and the amounts of obligations and unobligated balances.

| | Funds available | Net total obligations | Unobligated balances |
|---|---|---|---|
| Appropriated funds: | | | |
| Operating expenses | $188,250,000 | $183,106,396 | $5,143,604 |
| Reserve training | 2,500,000 | 2,483,054 | 16,946 |
| Retired pay | 18,600,000 | 18,481,456 | 118,544 |
| Acquisition, construction and improvements | [1] 14,441,089 | 11,269,344 | 3,171,745 |
| Total appropriated funds | 223,791,089 | 215,340,250 | 8,450,839 |
| Reimbursements: | | | |
| Operating expenses | 1,314,656 | 1,314,656 | ................ |
| Reserve training | 73,335 | 73,335 | ................ |
| Total reimbursements | 1,387,991 | 1,387,991 | ................ |
| Working funds established by advances from other agencies: | | | |
| Department of Defense: | | | |
| Department of the Navy | 560,349 | 534,166 | 26,183 |
| Department of the Army | 73,440 | 39,618 | 33,822 |
| Department of Health, Education, and Welfare | 656,785 | 655,573 | 1,212 |
| United States Information Agency | 465,000 | 464,617 | 383 |
| Executive Office of the President | 874 | 706 | 168 |
| Total working funds | 1,756,448 | 1,694,680 | 61,768 |
| Grand total | 226,935,528 | 218,422,921 | 8,512,607 |

[1] Funds available under "Acquisition, Construction and Improvements" include unobligated balances brought forward from prior year appropriations in the amount of $3,820,589, and $8,120,500 transferred from the appropriation "Maintenance and Operation, Air Force, 1954," by the Second Supplemental Appropriation Act, 1954, Public Law No. 304, approved March 6, 1954.

## UNITED STATES SAVINGS BONDS DIVISION

The fiscal year 1954 marked the twentieth year the Treasury has been continuously offering savings bonds for investment. The cash value of all series of these bonds outstanding at the close of the year totaled $58.2 billion of which $49.6 billion was held by more than forty million persons and the rest by institutions and miscellaneous investors.

United States savings bonds are an important part of the Government's program to give America a sound dollar. Selling savings bonds to individuals is one of the best ways to place more of the debt in the hands of long-term investors. At the close of fiscal 1954, more than 20 percent of the public debt consisted of nonmarketable savings bonds of all series.

The Savings Bonds Division concentrated its promotional activities throughout the year on selling more E and H bonds, the two series which may be purchased only by individuals. This activity is the core of the Treasury's program to encourage thrift generally among the people and especially to encourage them to adopt regular systematic savings habits. As our people store up savings for future needs, it helps assure the continued growth and prosperity of our country.

In the fiscal year 1954 a new peacetime record was achieved in gross sales of savings bonds. Investors purchased $4.7 billion E and H bonds, the highest amount in any fiscal year since 1946. The sales gain was 15 percent over 1953 and 41 percent over 1952.

Cash sales in fiscal 1954 exceeded total redemptions (including retirements of matured E bonds as well as E and H bonds cashed prior to maturity) by $308 million. At the close of fiscal 1954, the cash value of Series E and H bonds outstanding, including interest accruals, reached the all-time record to date of $37.5 billion. The increase during the year amounted to $1.4 billion.

Throughout the year 1954 the rate of holding E bonds after maturity continued to remain almost constant at about three-quarters of maturity value. In the three years from May 1951 through June 1954, approximately $13 billion in E bonds came due. About one-quarter of that amount was turned in for cash; the balance, nearly $10 billion, is being retained for a longer period under the automatic extension option. During the extension period, up to ten additional years, E bonds maturing May 1952 and thereafter earn interest at the rate of approximately 3 percent per annum compounded semi-annually. E bonds which matured before May 1952 yield only slightly less. The importance of publicizing the E bond extension privilege is readily seen when it is realized that more than $18 billion of this type of security probably will have reached maturity in the five-year period ending in fiscal 1958.

In fiscal 1954, redemptions of Series E and H bonds prior to maturity were the lowest in 10 years. They were 2 percent less than in 1953, and 14 percent lower than the redemptions of unmatured E bonds in 1952.

A new promotional activity was begun during the second half of fiscal 1954 to urge E bond buyers to purchase bigger denominations instead of $25 bonds. Experience has shown that the person who buys a larger denomination bond is more inclined to hold it longer.

At the close of fiscal 1954, it was estimated that more than 8 million persons employed in industry and Government were signed up on the payroll savings plan and were buying about $160 million in E bonds each month. The Savings Bonds Division succeeded in signing up a sufficient number of new savers to more than offset those who dropped out during the year. Industry-wide drives were made in the aircraft and steel industries; bond promotions were conducted in 30 of the country's 48 major railroads; and canvasses were completed or begun in all Federal agencies.

For economy in the bond operation, 2,695 commercial payroll savings accounts formerly handled by post offices were transferred to other issuing agents. Post offices were also relieved of the issuance of E bonds to the public except in communities where there are no other issuing agents.

During fiscal 1954, the Division's headquarters and field staffs underwent further reorganization in line with recommendations of top-level consultants in sales management. The changes resulted in further elimination of program specialization, the strengthening of the area plan of State operations, and a reduction in the number of positions.

The Division strengthened its volunteer organization at State and local levels this past year through increasingly effective use of volunteers with leadership qualities, and through a planned program of recognition of volunteers for length of service and for outstanding contributions to the sale of bonds.

During fiscal 1954, the Division received over $53 millions worth of donated space and time in printed and broadcast media for savings bonds advertising. Support in news, editorial, and cartoon pages, while not measurable in dollars, was equally generous. Donated newspaper advertisements amounted to more than 8 million lines in metropolitan dailies, and 25 million lines in weeklies. More than 300 business and industrial magazines carried bond advertisements to more than 5 million businessmen readers each month. Financial journals carried special Series H bond advertisements to bankers and financiers.

Every month approximately 800 magazines with general distribution and an average circulation of over 150 million copies, supported the bond program through donated space for advertising. Some 50 farm journals with a circulation of over 15 million gave the same kind of support. For an aggregate of four months during the year, bond advertisements appeared on more than 3,000 full-color outdoor posters. Twice during the year, for periods of two or three months each, some 90,000 street cars and busses carried car-cards advertising bonds.

More than 2,900 radio stations carried weekly the special bond program ''Guest Star,'' featuring the country's leading stage, screen, radio, and television stars. Over 3,100 radio stations broadcast spot announcements for bonds on a regular schedule. All radio networks averaged 12 one-half-hour bond programs weekly featuring the country's leading orchestras. Similar support was given the Division's program by the rapidly expanding television industry, which channeled the bond message to the viewers of the country's more than 25 million television sets.

The Division was effectively aided in reaching the banking and

investment market through a comprehensive program developed by the Savings Bonds Committee of the American Bankers Association. The Investment Bankers Association of America aided the Division with a program designed particularly to stimulate the purchase of H bonds.

Special crop promotions, in tobacco, wheat, corn, and cotton were developed by the Division to encourage investment in savings bonds at the times the growers received cash for their crops. The Division also continued to promote thrift training for youth in the Nation's schools.

## UNITED STATES SECRET SERVICE

The major functions of the United States Secret Service, under direction of the Secretary of the Treasury, are protection of the person of the President of the United States and members of his immediate family, of the President-elect, and of the Vice President at his request; the detection and arrest of persons committing any offenses against obligations and securities of the United States and of foreign governments; and the detection and arrest of persons violating certain laws relating to the Federal Deposit Insurance Corporation, Federal land banks, joint-stock land banks, and national farm loan associations. These and other duties of the Secret Service are defined in 18 U.S.C. 3056.

### Management improvement

As a part of its continuing management improvement program, the Secret Service inaugurated a course of specialized training for special agents, plans for which had been completed in fiscal 1953. Those agents selected for training were given an intensive four-week practical course in applied criminal investigation techniques with particular reference to the suppression of counterfeiting and forgery, and to security functions related to the protection of the President.

The management program continued to be closely coordinated with the inspection system in which regional inspectors make regular and thorough inspection of all Secret Service field offices, during which they review pending cases, confer with all personnel, inspect office and motor vehicle equipment, and otherwise maintain close liaison between the field and the Washington headquarters.

To assure proper maintenance of official motor vehicles, one inspector devised a unique form which consists of small perforated coupons bound in a booklet the size of an individual checkbook, with four coupons to each page. There is one coupon for every thousand miles, from 1,000 to 100,000, marked to show the lubrication or other service required at each thousand. Secret Service agents driving official cars are made responsible for obtaining the work called for on the coupons, and must sign and submit coupons with reports to their superiors as evidence that the work has been accomplished. Unquestionably this system will help to keep motor vehicles in better condition and prolong their usefulness.

Protective and security activities

On March 1, four fanatical members of the Nationalist Party of Puerto Rico from New York City, armed with automatic weapons, entered the Visitors' Gallery of the House of Representatives and, at a signal from a woman in the group, fired into the assembled Congressmen, five of whom were wounded. The men and the woman were arrested, and special agents of the Secret Service were present while they were interrogated by police, since this quartet belonged to the same group which tried to assassinate the President at Blair House on November 1, 1950. Later all four were sentenced to long prison terms.

During the year, special agents of the Secret Service protected the Vice President of the United States during his good-will trip around the world.

In connection with the protection of the Main Treasury Building and the Treasury Annex by the Treasury Guard Force, the Secret Service, in cooperation with the Office of Administrative Services, arranged to have the Treasury electronic burglar-alarm system completely overhauled.

Enforcement activities

The Secret Service was notified January 4 by officials of the Bureau of Engraving and Printing that $160,000 in completed $20 Federal Reserve notes apparently had been stolen from the Bureau. Within 24 hours, on January 5, Secret Service agents had in custody a Bureau employee responsible for the theft, and one male accomplice. On January 6, agents arrested two more male and two female accomplices who had spent some of the stolen money. Reconstructing the crime, agents established that the thief had carried $128,000 out of the Bureau on December 30, and hidden the balance of $32,000 under a skid on the fifth floor of the Main Building, intending to take it out later. The $32,000 was recovered by agents, together with $95,840 of the $128,000 smuggled out of the Bureau.

The total amount recovered on which there was no loss to the Government was $127,840. Further recoveries reduced the potential loss to $25,790. All stolen bills were accounted for except for the sum of $15,200 as of June 30.

All six defendants pleaded guilty in Federal court and were sentenced to prison terms, except for one woman who was placed on probation.

After this theft, by direction of the Secretary, the Secret Service made a thorough security survey of the Bureau of Engraving and Printing and submitted a comprehensive report of its findings and recommendations.

In the course of the year, Secret Service agents captured 17 plants for the manufacture of counterfeit paper money and $348,145 in counterfeit bills. Of that total, $140,106 was successfully passed on storekeepers and others, and $208,039 was seized before it could be put into circulation. Although the representative value of the total amount seized was greater than the $287,715 captured during the previous year, the number of counterfeit bills actually passed to merchants and others was smaller. The representative

value of counterfeit coins seized totaled $7,155, of which $5,828 was successfully passed.

There were 63 new counterfeit note issues and variations thereof during the year, an increase of 13, and 210 persons were arrested for violating the counterfeiting laws, as compared with 193 arrested the previous year.

The following table summarizes seizures of counterfeit money during the fiscal years 1953 and 1954.

Counterfeit money seized - fiscal years 1953 and 1954

| | 1953 | 1954 | Increase, or decrease (-) | Percentage increase, or decrease (-) |
|---|---|---|---|---|
| Counterfeit and altered notes: | | | | |
| After being circulated | $172,785.50 | $140,106.00 | -$32,679.50 | -18.9 |
| Before being circulated | 114,930.25 | 208,038.75 | 93,108.50 | 81.0 |
| Total | 287,715.75 | 348,144.75 | 60,429.00 | 21.0 |
| Counterfeit coins seized: | | | | |
| After being circulated | 5,598.99 | 5,827.71 | 228.72 | 4.1 |
| Before being circulated | 807.12 | 1,326.86 | 519.74 | 64.4 |
| Total | 6,406.11 | 7,154.57 | 748.46 | 11.7 |
| Grand total | 294,121.86 | 355,299.32 | 61,177.46 | 20.8 |

There were 31,931 forged Government checks received for investigation, an increase of 4,211, and 9,045 were on hand at the beginning of the year. Agents completed investigations of 28,837 forged checks worth $2,339,660 but on June 30 there was a backlog of 12,139 forged checks awaiting investigation. Agents arrested 2,609 persons for forgery of Government checks, as compared with 2,284 arrested the previous year.

Also received for investigation were 4,034 forged United States savings bonds. There were 1,571 forged bonds awaiting investigation at the beginning of the year. Agents completed investigations of 3,542 forged bonds worth $326,852 and arrested 84 persons for bond forgery.

The following table shows the number of criminal and noncriminal cases completed during the fiscal years 1953 and 1954.

Number of investigations of criminal and noncriminal activities - fiscal years 1953 and 1954

| Cases closed | 1953 | 1954 | Increase, or decrease (-) | Percentage increase, or decrease (-) |
|---|---|---|---|---|
| Criminal cases: | | | | |
| Counterfeiting | 1,405 | 1,277 | -128 | -9.1 |
| Forged Government checks | [illegible] | 28,837 | 2,658 | 10.2 |
| Stolen or forged bonds | 4,526 | 3,542 | -984 | -21.7 |
| Protective research | 1,679 | 1,020 | -659 | -39.2 |
| Miscellaneous (criminal) | 397 | 420 | 23 | 5.8 |
| Total | 34,186 | 35,096 | 910 | 2.7 |
| Noncriminal | 3,329 | 2,316 | -1,013 | -30.4 |
| Grand total | 37,515 | 37,412 | -103 | -.3 |

The Secret Service arrested 209 persons for crimes other than counterfeiting and forgery, making a total of 3,112 persons arrested, an increase of 313 or 11.2 percent over the previous year. There were 2,912 convictions, representing 98.6 percent of convictions

in all cases prosecuted, some of which were pending from the previous year.

Prison sentences during the year totaled 3,123 years, and additional sentences of 2,776 years were suspended or probated. Fines in criminal cases totaled $59,429.

Cases of all types received for investigation, including counterfeiting and forgery cases, aggregated 41,363, an increase of 2,529 cases or 6.5 percent over the previous year, and 11,271 cases were pending at the beginning of the year. Although 37,412 cases were closed during the year, 15,222 cases were awaiting investigation as of June 30.

The following table constitutes a statistical summary of Secret Service investigations, arrests, and dispositions for the fiscal years 1953 and 1954.

Number of arrests and cases disposed of, fiscal years 1953 and 1954

| | 1953 | 1954 | Increase, or decrease (-) | Percentage increase, or decrease (-) |
|---|---|---|---|---|
| Arrests for: | | | | |
| Counterfeiting | 193 | 210 | 17 | 8.8 |
| Forged Government checks | 2,284 | 2,609 | 325 | 14.2 |
| Violations of Gold Reserve Act | 63 | 14 | -49 | -77.8 |
| Stolen or forged bonds | 91 | 84 | -7 | -7.7 |
| Protective research | 105 | 88 | -17 | -16.2 |
| False claims | 4 | 7 | 3 | 75.0 |
| Miscellaneous | 59 | 100 | 41 | 69.5 |
| Total | 2,799 | 3,112 | 313 | 11.2 |
| Cases disposed of: | | | | |
| Convictions in connection with: | | | | |
| Counterfeiting | 168 | 190 | 22 | 13.1 |
| Forged Government checks | 1,993 | 2,434 | 441 | 22.1 |
| Violations of Gold Reserve Act | 14 | 15 | 1 | 7.1 |
| Stolen or forged bonds | 85 | 83 | -2 | -2.4 |
| Protective research | 97 | 80 | -17 | -17.5 |
| False claims | 2 | 24 | 22 | 1100.0 |
| Miscellaneous | 50 | 86 | 36 | 72.0 |
| Total | 2,409 | 2,912 | 503 | 20.9 |
| Acquittals | 42 | 40 | -2 | -4.8 |
| Dismissed, not indicted or died before trial | 188 | 222 | 34 | 18.1 |
| Total cases disposed of | 2,639 | 3,174 | 535 | 20.3 |

# EXHIBITS

# PUBLIC DEBT OPERATIONS

## TREASURY CERTIFICATES OF INDEBTEDNESS, TREASURY NOTES, AND TREASURY BONDS

### Exhibit 1.--Offering of 2-1/2 percent tax anticipation certificates of Series C-1954 and allotments

[Department Circular No. 925. Public Debt]

TREASURY DEPARTMENT,
Washington, July 6, 1953.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for tax anticipation certificates of indebtedness of the United States, designated 2½ percent Treasury certificates of indebtedness of Series C-1954. The amount of the offering is $5,500,000,000, or thereabouts.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated July 15, 1953, and will bear interest from that date at the rate of 2½ percent per annum, payable with the principal at maturity on March 22, 1954. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all taxes, now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The certificates shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will be accepted at par plus accrued interest to maturity in payment of income and profits taxes due on March 15, 1954.

4. Bearer certificates will be issued in denominations of $1,000, $5,000, $10,000, $100,000, and $1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of certificates applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions

for amounts up to and including $100,000 will be allotted in full, and subscriptions for amounts over $100,000 will be allotted on an equal percentage basis to be publicly announced when allotments are made, but not less than $100,000 on any one subscription. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made on or before July 15, 1953, or on later allotment. In every case where payment is not so completed, the payment with application up to 10 percent of the amount of certificates applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for certificates allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

## V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

G. M. Humphrey,
Secretary of the Treasury.

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Allotments of 2 1/2 percent tax anticipation certificates of indebtedness of Series C-1954

[In thousands of dollars]

| Federal Reserve district | Subscriptions allotted | Federal Reserve district | Subscriptions allotted |
|---|---|---|---|
| Boston | 196,967 | St. Louis--Continued | |
| New York | 2,509,338 | Louisville | 32,596 |
| Philadelphia | 214,577 | Memphis | 20,403 |
| Cleveland | 205,404 | Minneapolis | 131,812 |
| Cincinnati | 37,660 | Kansas City | 163,986 |
| Pittsburgh | 127,849 | Dallas | 93,864 |
| Richmond | 108,152 | El Paso | 4,034 |
| Baltimore | 62,952 | Houston | 19,562 |
| Charlotte | 31,294 | San Antonio | 10,035 |
| Atlanta | 54,945 | San Francisco | 349,055 |
| Birmingham | 20,366 | Los Angeles | 157,643 |
| Jacksonville | 87,343 | Portland | 34,091 |
| Nashville | 30,117 | Salt Lake City | 25,677 |
| New Orleans | 57,031 | Seattle | 145,962 |
| Chicago | 857,842 | Treasury | 1 |
| St. Louis | 105,262 | | |
| Little Rock | 5,816 | Total | 5,901,636 |

# Exhibit 2.--Offering of 1-1/8 percent certificates of Series B-1955

[Department Circular No. 943. Public Debt]

TREASURY DEPARTMENT,
Washington, May 4, 1954.

## I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for certificates of indebtedness of the United States, designated 1-1/8 percent Treasury certificates of indebtedness of Series B-1955, in exchange for which any of the following listed securities, singly or in combinations aggregating $1,000 or multiples thereof, may be tendered:

2-5/8 percent Treasury certificates of indebtedness of Series B-1954, maturing June 1, 1954
2 percent Treasury bonds of 1952-54 (dated June 26, 1944), maturing June 15, 1954
2-1/4 percent Treasury bonds of 1952-55, called for redemption on June 15, 1954
2-1/4 percent Treasury bonds of 1954-56, called for redemption on June 15, 1954

Exchanges will be made at par with an adjustment of interest as set forth in section IV hereof. The amount of the offering under this circular will be limited to the amount of the certificates and bonds of the four issues enumerated above tendered in exchange and accepted. The books will be open only on May 5 through May 7 for the receipt of subscriptions for this issue.

2. In addition to the offering under this circular, holders of the certificates maturing June 1, 1954, are also offered the privilege of exchanging all or any part of such certificates for 1-7/8 percent Treasury notes of Series A-1959, which offering is set forth in Department Circular No. 944, issued simultaneously with this circular.

## II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated May 17, 1954, and will bear interest from that date at the rate of 1-1/8 percent per annum, payable at the maturity of the certificates on May 17, 1955. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all taxes, now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The certificates shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer certificates with one interest coupon attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000, and $1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Banking institutions

generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of certificates applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before May 17, 1954, or on later allotment, and may be made only in the securities of the four issues enumerated in section 1 hereof, which will be accepted at par, and should accompany the subscription. Accrued interest on the securities surrendered will be credited, and accrued interest on the new certificates from May 17, 1954, will be charged, as shown in the table below, to the respective maturity and call dates of the securities to be exchanged. All coupon bonds should be surrendered with June 15, 1954, coupons attached, and subsequent coupons as well in the case of the two 2-1/4 percent issues. Accrued interest due subscribers will be paid, in the case of bearer securities, following their acceptance, and in the case of registered bonds, following discharge of registration.

Interest adjustments per $1,000

| Securities surrendered | Accrued interest to be credited | Accrued interest to be charged | Net amount to be paid subscribers |
|---|---|---|---|
| 2-5/8% certificates of indebtedness, Series B-1954... | $26.25 | $0.46233 | $25.78767 |
| 2% bonds of 1952-54 (dated June 26, 1944)............ | 10.00 | 0.89384 | 9.10616 |
| 2-1/4% bonds of 1952-55.............................. | 11.25 | 0.89384 | 10.35616 |
| 2-1/4% bonds of 1954-56.............................. | 11.25 | 0.89384 | 10.35616 |

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury bonds of the three eligible issues in registered form tendered in payment for certificates offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for 1-1/8 percent Certificates of Indebtedness of Series B-1955 to be delivered to ________ ", in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or branch or to the Office of the Treasurer of the United States, Washington. The bonds must be delivered at the expense and risk of the holders.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

A. N. Overby,
Acting Secretary of the Treasury.

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# Exhibit 3.--Details of certificate issues and allotments

Circulars pertaining to other issues of Treasury certificates of indebtedness during the fiscal year 1954 are similar in form to the circular shown as exhibit 2 and therefore are not reproduced in this report. However, the essential details regarding each issue are summarized in the following table, and the final allotments of new certificates in exchange for maturing or called securities are shown in the succeeding table.

Summary of information contained in circulars pertaining to Treasury certificates of indebtedness issued during the fiscal year 1954

| Date of circular | Number of circular | Certificates of indebtedness issued and securities exchanged for new issues | Date of issue | Date of maturity | Date subscription books closed | Allotment payment date on or before (or on later allotment) |
|---|---|---|---|---|---|---|
| 1953 Aug. 5 | 927 | 2 5/8 percent Series D-1954..................... Exchanged for 2 percent Series C-1953 certificates maturing Aug. 15, 1953. | 1953 Aug. 15 | 1954 Aug. 15 | 1953 Aug. 7 | 1953 Aug. 17 |
| Sept. 2 | 928 | 2 5/8 percent Series E-1954..................... Exchanged for 2 percent Treasury bonds of 1951-53 (dated Sept. 15, 1943) maturing Sept. 15, 1953. | Sept. 15 | Sept. 15 | Sept. 4 | [1] Sept. 15 |
| 1954 Feb. 1 | 938 | 1 5/8 percent Series A-1955..................... Exchanged for-- 2 1/4 percent Series A-1954 certificates maturing Feb. 15, 1954. 1 3/8 percent Series A-1954 Treasury notes maturing Mar. 15, 1954. | 1954 Feb. 15 | 1955 Feb. 15 | 1954 Feb. 3 | 1954 [2] Feb. 15 |
| May 4 | 943 | 1 1/8 percent Series B-1955..................... Exchanged for-- 2 5/8 percent Series B-1954 certificates maturing June 1, 1954. 2 percent Treasury bonds of 1952-54 (dated June 26, 1944) maturing June 15, 1954. 2 1/4 percent Treasury bonds of 1952-55, called June 15, 1954. 2 1/4 percent Treasury bonds of 1954-56, called June 15, 1954. | May 17 | May 17 | May 7 | [3] May 17 |

[1] Following acceptance of the surrendered bonds, final interest due Sept. 15, 1953, was paid as follows: On coupon bonds by payment of the Sept. 15 coupon, and on registered bonds by checks drawn in accordance with assignments on the surrendered bonds.
[2] Following acceptance of the surrendered certificates, the full amount of interest due was paid, and following acceptance of the surrendered notes, the accrued interest from Sept. 15, 1953, to Feb. 15, 1954 ($5.81146 per $1,000) was paid.
[3] See exhibit 2, section IV, for accrued interest credited on the surrendered securities, and accrued interest charged on the new certificates.

Treasury certificates of indebtedness issued in exchange for matured or called securities, by Federal Reserve districts, fiscal year 1954

[In thousands of dollars]

| Federal Reserve district | 2-5/8 percent Series D-1954 certificates exchanged for 2 percent Series C-1953 certificates maturing Aug. 15, 1953 | 2-5/8 percent Series E-1954 certificates exchanged for 2 percent Treasury bonds of 1951-53 (dated Sept. 15, 1943) maturing Sept. 15, 1953[1] | 1-5/8 percent Series A-1955 certificates exchanged for-- | | | 1-1/8 percent Series B-1955 certificates exchanged for-- | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2-1/4 percent Series A-1954 certificates maturing Feb. 15, 1954[2] | 1-3/8 percent Series A-1954 Treasury notes maturing Mar. 15, 1954[2] | Total | 2-5/8 percent Series B-1954 certificates maturing June 1, 1954[3] | 2 percent Treasury bonds of 1952-54 (dated June 26, 1944) maturing June 15, 1954[2] | 2-1/4 percent Treasury bonds of 1952-55, called for redemption on June 15, 1954[2] | 2-1/4 percent Treasury bonds of 1954-56, called for redemption on June 15, 1954[2] | Total |
| Boston | 87,475 | 180,705 | 59,862 | 18,819 | 78,681 | 10,163 | 8,832 | 1,926 | 12,987 | 33,908 |
| New York | 1,237,181 | 2,773,999 | 4,486,959 | 690,687 | 5,177,646 | 1,389,113 | 1,040,492 | 215,093 | 194,711 | 2,839,409 |
| Philadelphia | 61,653 | 126,384 | 36,807 | 25,165 | 61,972 | 13,081 | 49,433 | 22,442 | 2,023 | 86,979 |
| Cleveland | 103,843 | 90,708 | 40,369 | 55,313 | 95,682 | 30,216 | 43,587 | 11,725 | 618 | 86,146 |
| Cincinnati | 23,498 | 29,770 | 18,383 | 19,063 | 37,446 | 3,519 | 1,606 | 2,107 | 677 | 7,909 |
| Pittsburgh | 30,937 | 35,777 | 31,748 | 26,164 | 57,912 | 7,788 | 4,328 | 743 | 7,956 | 20,815 |
| Richmond | 27,025 | 24,836 | 12,201 | 8,136 | 20,337 | 2,692 | 4,755 | 1,500 | 188 | 9,134 |
| Baltimore | 9,481 | 35,261 | 31,746 | 5,722 | 37,468 | 3,647 | 2,398 | 524 | 38 | 6,607 |
| Charlotte | 9,711 | 12,165 | 5,465 | 1,147 | 6,612 | 1,104 | 393 | 102 | 13 | 1,612 |
| Atlanta | 42,128 | 41,869 | 36,112 | 18,827 | 54,939 | 9,852 | 4,330 | 1,926 | 2,568 | 18,676 |
| Birmingham | 9,926 | 5,863 | 12,082 | 4,912 | 16,994 | 2,048 | 2,637 | 551 | 24 | 5,260 |
| Jacksonville | 12,237 | 9,431 | 21,664 | 4,384 | 26,048 | 2,228 | 1,466 | 177 | 1 | 3,872 |
| Nashville | 9,889 | 18,433 | 7,931 | 7,978 | 15,909 | 781 | 5,352 | 97 | 82 | 6,312 |
| New Orleans | 31,210 | 26,676 | 47,771 | 11,288 | 59,059 | 7,661 | 12,570 | 348 | 606 | 21,185 |
| Chicago | 430,780 | 504,592 | 239,242 | 247,071 | 486,313 | 104,888 | 136,154 | 21,100 | 23,000 | 285,143 |
| Detroit | ........ | ........ | 25,520 | 21,083 | 46,603 | 2,533 | 1,234 | 1,945 | 1,288 | 7,000 |
| St. Louis | 67,038 | 102,810 | 33,696 | 24,284 | 57,980 | 18,204 | 22,195 | 3,494 | 2,208 | 46,101 |
| Little Rock | 6,518 | 2,869 | 12,211 | 988 | 13,199 | 3,029 | 1,004 | 20 | 166 | 4,219 |
| Louisville | 50,841 | 20,795 | 28,293 | 11,787 | 40,080 | 13,165 | 4,514 | 774 | 330 | 18,783 |
| Memphis | 18,898 | 10,596 | 10,576 | 1,943 | 12,519 | 1,392 | 1,899 | 436 | 12 | 3,739 |
| Minneapolis | 94,231 | 86,972 | 72,882 | 23,508 | 96,390 | 33,989 | 32,584 | 5,904 | 1,332 | 73,809 |
| Kansas City | 129,995 | 129,030 | 94,527 | 14,193 | 108,720 | 20,633 | 7,972 | 2,649 | 2,358 | 33,612 |
| Denver | ........ | ........ | 21,568 | 14,632 | 36,200 | 7,939 | 4,789 | 377 | 148 | 13,253 |
| Oklahoma City | ........ | ........ | 9,844 | 7,423 | 17,267 | 5,244 | 4,202 | 875 | 597 | 10,918 |
| Omaha | ........ | ........ | 19,156 | 7,998 | 27,154 | 9,809 | 2,725 | 734 | 8,927 | 22,195 |
| Dallas | 38,710 | 51,557 | 22,112 | 7,592 | 29,704 | 5,021 | 1,964 | 1,942 | 86 | 9,013 |
| El Paso | 2,306 | 1,338 | 4,738 | 182 | 4,920 | 368 | 370 | 5 | 350 | 1,093 |
| Houston | 18,772 | 19,189 | 20,013 | 5,225 | 25,238 | 7,435 | 750 | 128 | 63 | 8,376 |
| San Antonio | 5,853 | 33,097 | 14,963 | 4,818 | 19,781 | 1,763 | 6,551 | 249 | 137 | 8,700 |
| San Francisco | 99,175 | 285,439 | 88,841 | 36,200 | 125,041 | 8,064 | 65,467 | 20,017 | 4,124 | 97,672 |
| Los Angeles | 96,437 | 37,691 | 20,956 | 30,317 | 51,273 | 47,627 | 5,370 | 1,502 | 1,403 | 55,902 |
| Portland | 8,203 | 6,975 | 7,285 | 1,055 | 8,340 | 1,757 | 1,537 | 20 | 1,670 | 4,984 |
| Salt Lake City | 2,416 | 2,948 | 19,670 | 487 | 20,157 | 1,566 | 638 | 89 | 6 | 2,299 |
| Seattle | 13,305 | 9,439 | 6,849 | 912 | 7,761 | 5,765 | 20,226 | 365 | 50 | 26,406 |
| Treasury | 8,554 | 6,795 | 24,795 | 647 | 25,442 | 1,927 | 735 | 335 | 2,013 | 5,010 |
| Total allotments on exchanges | 2,788,226 | 4,724,009 | 5,646,837 | 1,359,950 | 7,006,787 | 1,786,011 | 1,505,058 | 322,222 | 272,760 | 3,886,051 |

[1] Treasury 2 7/8 percent notes, Series A-1957, also issued in exchange for this maturity; see table on page 24.
[2] Treasury 2 1/2 percent bonds of 1961, also issued in exchange for this security; see table on page 24.
[3] Treasury 1 7/8 percent notes, Series A-1959, also issued in exchange for this security; see table on page 24.

# Exhibit 4.--Offering of 2-7/8 percent Treasury notes of Series A-1957

[Department Circular No. 929. Public Debt]

TREASURY DEPARTMENT,
Washington, September 2, 1953.

## I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for notes of the United States, designated 2-7/8 percent Treasury notes of Series A-1957, in exchange for 2 percent Treasury bonds of 1951-53, dated September 15, 1943, and maturing September 15, 1953. The amount of the offering under this circular will be limited to the amount of maturing bonds tendered in exchange and accepted.

2. In addition to the offering under this circular, holders of the maturing bonds are offered the privilege of exchanging all or any part of such bonds for 2-5/8 percent Treasury certificates of indebtedness of Series E-1954, which offering is set forth in Department Circular No. 928, issued simultaneously with this circular.

## II. DESCRIPTION OF NOTES

1. The notes will be dated September 15, 1953, and will bear interest from that date at the rate of 2-7/8 percent per annum, payable semiannually on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1957, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The notes shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000, and $1,000,000. The notes will not be issued in registered form.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for notes allotted hereunder must be made on or before September 15, 1953, or on later allotment, and may be made only in Treasury bonds of 1951-53, dated September 15, 1943, maturing September 15, 1953, which will be accepted at par, and should accompany the subscription. Final interest due September 15 on the maturing bonds surrendered will be paid, in the case of coupon bonds, by payment of September 15, 1953, coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury bonds of 1951-53 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury Notes of Series A-1957 to be delivered to ________________", in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or branch or to the Office of the Treasurer of the United States, Washington. The bonds must be delivered at the expense and risk of the holders.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 5.--Offering of 1-7/8 percent Treasury notes of Series B-1954

[Department Circular No. 936. Public Debt]

TREASURY DEPARTMENT,
Washington, November 18, 1953.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for notes of the United States, designated 1-7/8 percent Treasury notes of Series B-1954, in exchange for Treasury notes of Series A-1953, maturing December 1, 1953.

2. In addition to the offering under this circular, holders of the maturing notes are offered the privilege of exchanging all or any part of such notes for 2-1/2 percent Treasury bonds of 1958, which offering is set forth in Department Circular No. 935, issued simultaneously with this circular.

## II. DESCRIPTION OF NOTES

1. The notes will be dated December 1, 1953, and will bear interest from that date at the rate of 1-7/8 percent per annum, payable on a semiannual basis on June 15 and December 15, 1954. They will mature December 15, 1954, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The notes shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000, and $1,000,000. The notes will not be issued in registered form.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to close the books as to any or all subscriptions at any time without notice, and to allot less than the amount of notes applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par for notes allotted hereunder must be made on or before December 1, 1953, or on later allotment, and may be made only in Treasury notes of Series A-1953, maturing December 1, 1953, which will be accepted at par, and should accompany the subscription.

## V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

G. M. Humphrey,
Secretary of the Treasury.

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# Exhibit 6.--Offering of 1-7/8 percent Treasury notes of Series A-1959

[Department Circular No. 944. Public Debt]

TREASURY DEPARTMENT,
Washington, May 4, 1954.

## I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, from the people of the United States for notes of the United States, designated 1-7/8 percent Treasury notes of Series A-1959.

2. Cash offering.--Subscriptions are invited at par and accrued interest. The amount of the offering is $2,000,000,000, or thereabouts. The books will be open only on May 4 for the receipt of cash subscriptions.

3. Exchange offering.--Exchange subscriptions are invited at par with an adjustment of interest as set forth in section IV hereof, from holders of 2-5/8 percent Treasury certificates of indebtedness of Series B-1954, maturing June 1, 1954. The books will be open only on May 5 through May 7 for the receipt of exchange subscriptions for this issue.

4. In addition to the exchange offering under this circular, holders of the maturing certificates are also offered the privilege of exchanging all or any part of such certificates for 1-1/8 percent Treasury certificates of indebtedness of Series B-1955, which offering is set forth in Department Circular No. 943, issued simultaneously with this circular.

## II. DESCRIPTION OF NOTES

1. The notes will be dated May 17, 1954, and will bear interest from that date at the rate of 1-7/8 percent per annum, payable on a semiannual basis on February 15 and August 15, 1955, and thereafter on February 15 and August 15 in each year until the principal amount becomes payable. They will mature February 15, 1959, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The notes shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000, and $1,000,000. The notes will not be issued in registered form.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

Cash subscriptions.--Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers.

Others than commercial banks will not be permitted to enter cash subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit, but will be restricted in each case to an amount not exceeding one-half of the combined capital, surplus, and undivided profits, of the subscribing bank, as of December 31, 1953. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of notes applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 10 percent payment in excess of 10 percent of the amount of notes allotted may be released upon the request of the subscribers.

Exchange subscriptions.--Banking institutions generally may submit exchange subscriptions for account of customers.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, and to allot less than the amount of notes applied for; and any action he may take in these respects shall be final. Subject to these reservations, cash subscriptions for amounts up to and including $10,000 will be allotted in full, and larger subscriptions will be allotted on an equal percentage basis, but not less than $10,000 on any one subscription, and exchange subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before May 17, 1954, or on later allotment.

Cash subscriptions.--In every case where payment is not so completed, the payment with application up to 10 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for notes allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

Exchange subscriptions.--Payment of the principal amount may be made only in Treasury certificates of indebtedness of Series B-1954, which will be accepted at par, and should accompany the subscription. The full year's interest on certificates exchanged hereunder will be credited, accrued interest on the new notes from May 17, 1954, to June 1, 1954 ($0.77693 per $1,000) will be charged, and the difference ($25.47307 per $1,000) will be paid to subscribers following acceptance of the certificates.

## V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

A. N. Overby,
Acting Secretary of the Treasury.

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Treasury notes issued for cash and in exchange for matured or called securities, by Federal Reserve districts, fiscal year 1954

[In thousands of dollars]

| Federal Reserve district | 2-7/8 percent Series A-1957 Treasury notes exchanged for 2 percent Treasury bonds of 1951-53 (dated Sept. 15, 1943)[1] | 1-7/8 percent Series B-1954 Treasury notes exchanged for 2-1/8 percent Series A-1953 Treasury notes[2] | 1-7/8 percent Series A-1959 Treasury notes issued— | | |
|---|---|---|---|---|---|
| | | | For cash | In exchange for 2-5/8 percent Series B-1954 certificates[3] | Total |
| Boston | 118,973 | 18,801 | 95,164 | 75,513 | 170,677 |
| New York | 1,249,581 | 7,515,743 | 1,000,133 | 1,341,153 | 2,341,286 |
| Philadelphia | 83,913 | 27,477 | 76,163 | 101,900 | 178,063 |
| Cleveland | 100,546 | 27,858 | 60,344 | 85,872 | 146,216 |
| Cincinnati | 22,213 | 13,618 | 29,008 | 22,438 | 51,446 |
| Pittsburgh | 36,028 | 30,180 | 54,137 | 32,988 | 87,125 |
| Richmond | 34,688 | 12,528 | 38,328 | 15,089 | 53,417 |
| Baltimore | 20,899 | 14,431 | 31,895 | 5,311 | 37,206 |
| Charlotte | 9,792 | 10,291 | 13,386 | 26,205 | 39,591 |
| Atlanta | 19,703 | 17,716 | 26,175 | 38,272 | 64,447 |
| Birmingham | 4,769 | 5,490 | 9,342 | 11,774 | 21,116 |
| Jacksonville | 7,979 | 4,244 | 22,436 | 9,262 | 31,698 |
| Nashville | 13,251 | 3,420 | 21,858 | 9,235 | 31,093 |
| New Orleans | 16,735 | 19,840 | 14,133 | 32,730 | 46,863 |
| Chicago | 595,436 | 147,360 | 256,419 | 434,584 | 691,003 |
| Detroit | ..................... | 10,766 | 33,029 | 26,841 | 59,870 |
| St. Louis | 108,906 | 29,441 | 45,611 | 89,585 | 135,196 |
| Little Rock | 2,064 | 3,178 | 1,969 | 5,974 | 7,943 |
| Louisville | 15,914 | 16,542 | 10,015 | 27,104 | 37,119 |
| Memphis | 3,281 | 3,148 | 8,184 | 10,699 | 18,883 |
| Minneapolis | 75,307 | 45,234 | 37,603 | 55,943 | 93,546 |
| Kansas City | 126,241 | 31,186 | 25,035 | 63,415 | 88,450 |
| Denver | ..................... | 7,570 | 10,461 | 41,925 | 52,386 |
| Oklahoma City | ..................... | 9,900 | 17,274 | 22,470 | 39,744 |
| Omaha | ..................... | 16,519 | 9,760 | 13,091 | 22,851 |
| Dallas | 29,073 | 15,410 | 43,027 | 48,772 | 91,799 |
| El Paso | 1,770 | 2,227 | 2,582 | 1,635 | 4,217 |
| Houston | 15,646 | 27,823 | 13,480 | 23,883 | 37,363 |
| San Antonio | 13,924 | 5,974 | 7,438 | 6,270 | 13,708 |
| San Francisco | 102,137 | 29,384 | 92,675 | 92,500 | 185,175 |
| Los Angeles | 147,611 | 18,545 | 52,303 | 93,715 | 146,018 |
| Portland | 4,122 | 5,286 | 13,855 | 5,867 | 19,722 |
| Salt Lake City | 3,314 | 895 | 10,974 | 3,625 | 14,599 |
| Seattle | 9,698 | 5,362 | 20,821 | 6,126 | 26,947 |
| Treasury | 3,060 | 21,756 | 54 | 15,440 | 15,494 |
| Total | 2,996,574 | 8,175,143 | 2,205,071 | 2,897,206 | 5,102,277 |

[1] Treasury 2-5/8 percent certificates, Series E-1954, also issued in exchange for this maturity; see table on page 24.

[2] Treasury 2-1/2 percent bonds of 1958 (additional issue) also issued in exchange for this maturity; see table on page 24. Prior to the exchange offering, the Treasury purchased from the Federal Reserve System and retired $500 million of the maturing notes.

[3] Treasury 1-1/8 percent certificates, Series B-1955, also issued in exchange for this security; see table on page 24.

# Exhibit 7.--Offering of 2-3/4 percent Treasury bonds of 1961

[Department Circular No. 933. Public Debt]

TREASURY DEPARTMENT,
Washington, October 28, 1953.

## I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2-3/4 percent Treasury bonds of 1961. The amount of the offering is $2,000,000,000, or thereabouts. In addition to the amount offered for public subscription, the Secretary of the Treasury reserves the right to allot limited amounts of these bonds to Government investment accounts.

## II. DESCRIPTION OF BONDS

1. The bonds will be dated November 9, 1953, and will bear interest from that date at the rate of 2-3/4 percent per annum, payable on a semiannual basis on September 15, 1954, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1961, and will not be subject to call for redemption prior to maturity.

2. The income derived from the bonds shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bonds shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000, and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Commercial banks, which for this purpose are defined as banks accepting demand deposits, may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than commercial banks will not be permitted to enter subscriptions except for their own account. Subscriptions from commercial banks for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 10 percent of the amount of bonds applied for, not subject to withdrawal until after allotment. Following allotment, any portion of the 10 percent payment in excess of 10 percent of the amount of bonds allotted may be released upon the request of the subscribers.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to close the books as to any or all subscriptions at any time without notice,

to allot less than the amount of bonds applied for, and to make different percentage allotments to various classes of subscribers; and any action he may take in these respects shall be final. The basis of the allotment will be publicly announced, and allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder must be made or completed on or before November 9, 1953, or on later allotment. In every case where payment is not so completed, the payment with application up to 10 percent of the amount of bonds allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Any qualified depositary will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 8.--Offering of 2-1/2 percent Treasury bonds of 1958 (additional issue)

[Department Circular No. 935. Public Debt]

TREASURY DEPARTMENT,
Washington, November 18, 1953.

I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2-1/2 percent Treasury bonds of 1958, in exchange for 2-1/8 percent Treasury notes of Series A-1953, maturing December 1, 1953. The amount of the offering under this circular will be limited to the amount of maturing notes tendered in exchange and accepted.

2. In addition to the offering under this circular, holders of the maturing notes are offered the privilege of exchanging all or any part of such notes for 1-7/8 percent Treasury notes of Series B-1954, which offering is set forth in Department Circular No. 936, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2-1/2 percent Treasury bonds of 1958 issued pursuant to Department Circular No.

920, dated February 2, 1953, will be freely interchangeable therewith, and are identical in all respects therewith except that interest on the bonds to be issued under this circular will accrue from June 15, 1953. Subject to the provision for the accrual of interest from June 15, 1953, on the bonds now offered, the bonds are described in the following quotation from Department Circular No. 920:

"1. The bonds will be dated February 15, 1953, and will bear interest from that date at the rate of 2-1/2 percent per annum, payable on a semiannual basis on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1958, and will not be subject to call for redemption prior to maturity.

"2. The income derived from the bonds shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bonds shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

"3. The bonds will be acceptable to secure deposits of public moneys.

"4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000, and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

"5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds."

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to close the books as to any or all subscriptions at any time without notice, and to allot less than the amount of bonds applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par and accrued interest from June 15, 1953, to December 1, 1953 ($11.54372 per $1,000) for bonds allotted hereunder must be made on or before December 1, 1953, or on later allotment. Payment of the principal amount may be made only in Treasury notes of Series A-1953, maturing December 1, 1953, which will be accepted at par and should accompany the subscription. Payment of accrued interest on the bonds should be made when the subscription is tendered. Final interest due on December 1 on notes surrendered will be paid by payment of December 1, 1953, coupons, which should be detached by holders before presentation of the notes.

## V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for bonds

allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 9.--Offering of 2-1/2 percent Treasury bonds of 1961

[Department Circular No. 939. Public Debt]

TREASURY DEPARTMENT,
Washington, February 1, 1954.

### I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions from the people of the United States for bonds of the United States, designated 2-1/2 percent Treasury bonds of 1961, in exchange for which any of the following listed securities, singly or in combinations aggregating $500 or multiples thereof, may be tendered:

2-1/4 percent Treasury certificates of indebtedness of Series A-1954, maturing February 15, 1954
1-3/8 percent Treasury notes of Series A-1954, maturing March 15, 1954
2 percent Treasury bonds of 1952-54 (dated June 26, 1944), maturing June 15, 1954
2-1/4 percent Treasury bonds of 1952-55, to be called for redemption on June 15, 1954
2-1/4 percent Treasury bonds of 1954-56, to be called for redemption on June 15, 1954

Exchanges will be made par for par in the case of the maturing certificates and at par with an adjustment of interest as of February 15, 1954, in the case of the other issues eligible for exchange. The amount of the offering under this circular will be limited to the amount of the eligible securities of the five issues enumerated above tendered in exchange and accepted.

2. In addition to the offering under this circular, holders of the maturing certificates and notes are offered the privilege of exchanging all or any part of such certificates and notes for 1-5/8 percent Treasury certificates of indebtedness of Series A-1955, which offering is set forth in Department Circular No. 938, issued simultaneously with this circular.

### II. DESCRIPTION OF BONDS

1. The bonds will be dated February 15, 1954, and will bear interest from that date at the rate of 2-1/2 percent per annum, payable on a semiannual basis on November 15, 1954, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature November 15, 1961, and will not be subject to call for redemption prior to maturity.

2. The income derived from the bonds shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary

thereto. The bonds shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of $500, $1,000, $5,000, $10,000, $100,000, and $1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Office of the Treasurer of the United States, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject or reduce any subscription, to close the books as to any or all subscriptions at any time without notice, and to allot less than the amount of bonds applied for; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par for bonds allotted hereunder must be made on or before February 15, 1954, or on later allotment, and may be made only in the securities of the five issues enumerated in section I hereof, which will be accepted at par, and should accompany the subscription. The full amount of interest due on the maturing certificates surrendered will be paid following acceptance of the certificates. Coupons dated March 15, 1954, must be attached to the notes when surrendered, and accrued interest from September 15, 1953, to February 15, 1954 ($5.81146 per $1,000), will be paid following acceptance of the notes. Coupons dated June 15, 1954, must be attached to coupon bonds of each of the three eligible issues when surrendered, and accrued interest from December 15, 1953, to February 15, 1954 ($3.40659 per $1,000 in the case of the 2 percent bonds and $3.83242 per $1,000 in the case of the 2-1/4 percent bonds), will be paid following acceptance of the bonds. In the case of registered bonds, accrued interest from December 15, 1953, to February 15, 1954, will be paid by check drawn in accordance with the assignments on the bonds surrendered, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its district.

## V. ASSIGNMENT OF REGISTERED BONDS

1. Treasury bonds of the three eligible issues in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for 2-1/2 percent Treasury Bonds of 1961 to be delivered to ____________________", in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or branch or to the Office of the Treasurer of the United States, Washington. The bonds must be delivered at the expense and risk of the holders.

## VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

G. M. Humphrey,
Secretary of the Treasury.

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Treasury bonds issued for cash and in exchange for matured or called securities, by Federal Reserve districts, fiscal year 1954

[In thousands of dollars]

| Federal Reserve district | 2-3/4 percent Treasury bonds of 1961 issued for cash | 2-1/2 percent Treasury bonds of 1958 (additional issue) exchanged for 2-1/8 percent Series A-1953 Treasury notes[1] | 2-1/2 percent Treasury bonds of 1961 exchanged for-- | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | 2-1/4 percent Series A-1954 certificates maturing Feb. 15, 1954[2] | 1-3/8 percent Series A-1954 Treasury notes maturing Mar. 15, 1954[2] | 2 percent Treasury bonds of 1952-54 (dated June 26, 1944) maturing June 15, 1954[3] | 2-1/4 percent Treasury bonds of 1952-55 (dated Feb. 22, 1942) called for redemption June 15,1954[3] | 2-1/4 percent Treasury bonds of 1954-56 (dated July 22, 1940) called for redemption June 15,1954[3] | Total |
| Boston | 131,543 | 44,674 | 101,451 | 74,835 | 166,912 | 102,122 | 14,748 | 460,068 |
| New York | 902,970 | 683,714 | 821,946 | 1,522,851 | 1,726,161 | 452,242 | 164,688 | 4,687,888 |
| Philadelphia | 73,275 | 45,960 | 65,365 | 79,457 | 134,370 | 44,180 | 12,778 | 336,150 |
| Cleveland | 60,940 | 81,326 | 105,522 | 106,907 | 94,938 | 21,869 | 8,912 | 338,148 |
| Cincinnati | 19,432 | 30,923 | 54,353 | 21,908 | 47,208 | 23,037 | 8,191 | 154,697 |
| Pittsburgh | 38,551 | 14,704 | 32,982 | 53,399 | 70,856 | 19,068 | 4,392 | 180,696 |
| Richmond | 41,368 | 22,757 | 20,407 | 25,809 | 37,900 | 13,963 | 3,188 | 101,267 |
| Baltimore | 28,073 | 8,323 | 12,547 | 15,847 | 55,705 | 10,102 | 847 | 95,048 |
| Charlotte | 17,264 | 12,139 | 11,112 | 1,105 | 8,393 | 1,619 | 192 | 22,420 |
| Atlanta | 30,527 | 24,653 | 35,046 | 40,183 | 32,304 | 5,342 | 581 | 113,456 |
| Birmingham | 11,510 | 4,895 | 4,473 | 6,141 | 5,148 | 1,536 | 213 | 17,511 |
| Jacksonville | 23,720 | 7,966 | 8,962 | 10,534 | 11,383 | 2,739 | 726 | 34,344 |
| Nashville | 27,144 | 8,965 | 12,931 | 14,336 | 18,181 | 1,883 | 2,118 | 49,449 |
| New Orleans | 20,965 | 11,106 | 37,499 | 7,127 | 29,151 | 4,523 | 1,286 | 79,586 |
| Chicago | 254,170 | 325,111 | 342,687 | 510,663 | 537,945 | 128,428 | 65,254 | 1,584,976 |
| Detroit | 49,088 | 17,876 | 54,498 | 72,525 | 28,350 | 7,407 | 6,285 | 169,066 |
| St. Louis | 49,145 | 41,935 | 92,646 | 81,511 | 83,867 | 24,364 | 19,013 | 301,402 |
| Little Rock | 1,780 | 2,269 | 2,556 | 1,310 | 3,056 | 1,506 | 77 | 8,504 |
| Louisville | 12,840 | 22,914 | 28,005 | 20,277 | 22,136 | 5,098 | 1,246 | 76,763 |
| Memphis | 12,012 | 11,288 | 15,059 | 4,973 | 9,783 | 1,507 | 5,292 | 36,614 |
| Minneapolis | 40,233 | 46,584 | 79,434 | 67,554 | 90,549 | 18,772 | 6,575 | 262,884 |
| Kansas City | 32,104 | 62,720 | 61,005 | 61,661 | 64,328 | 21,039 | 7,522 | 215,555 |
| Denver | 8,242 | 11,230 | 10,011 | 18,114 | 20,736 | 3,722 | 353 | 52,936 |
| Oklahoma City | 12,234 | 15,991 | 23,611 | 22,044 | 19,916 | 11,508 | 1,020 | 78,100 |
| Omaha | 14,630 | 15,481 | 12,946 | 16,790 | 26,466 | 5,351 | 875 | 62,428 |
| Dallas | 51,498 | 36,576 | 27,420 | 61,669 | 47,152 | 8,666 | 1,402 | 146,310 |
| El Paso | 2,977 | 2,466 | 12,697 | 3,992 | 3,182 | 964 | 339 | 21,174 |
| Houston | 15,298 | 19,758 | 28,677 | 9,836 | 35,512 | 4,149 | 6,060 | 84,234 |
| San Antonio | 8,310 | 10,942 | 11,333 | 11,397 | 21,164 | 3,677 | 1,253 | 48,824 |
| San Francisco | 59,585 | 44,609 | 125,701 | 135,910 | 457,869 | 147,746 | 3,523 | 870,748 |
| Los Angeles | 73,012 | 28,144 | 66,349 | 124,208 | 147,207 | 18,787 | 16,288 | 372,839 |
| Portland | 19,726 | 3,030 | 2,306 | 8,098 | 5,356 | 1,607 | 302 | 17,670 |
| Salt Lake City | 11,344 | 2,498 | 5,742 | 6,862 | 2,571 | 702 | 217 | 16,094 |
| Seattle | 33,752 | 5,409 | 12,411 | 8,054 | 12,096 | 5,211 | 1,992 | 39,764 |
| Treasury | ............... | 19,302 | 19,823 | 9,519 | 5,057 | 3,410 | 1,730 | 39,540 |
| Government investment accounts | 50,000 | ............... | ............... | ............... | ............... | ............... | ............... | ............... |
| Total | 2,239,262 | 1,748,238 | 2,359,513 | 3,237,406 | 4,082,910 | 1,127,846 | 369,479 | 11,177,154 |

1 Treasury 1-7/8 percent notes, Series B-1954, also issued in exchange for this maturity; see table on page 24. Prior to the exchange offering, the Treasury purchased from the Federal Reserve System and retired $500 million of the maturing notes.
2 Treasury 1-5/8 percent certificates, Series A-1955, also issued in exchange for this security; see table on page 24.
3 Treasury 1-1/8 percent certificates, Series B-1955, also issued in exchange for this security; see table on page 24.

## Exhibit 10.--Call, February 9, 1954, for redemption on June 15, 1954, of 2-1/4 percent Treasury bonds of 1952-55, dated February 25, 1942 (Federal Register, February 12, 1954)

NOTICE OF CALL FOR REDEMPTION

To Holders of 2-1/4 Percent Treasury Bonds of 1952-55, and Others Concerned:

1. Public notice is hereby given that all outstanding 2-1/4 percent Treasury bonds of 1952-55, dated February 25, 1942, due June 15, 1955, are hereby called for redemption on June 15, 1954, on which date interest on such bonds will cease.

2. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given and an official circular governing the exchange offering will be issued.

3. Full information regarding the presentation and surrender of the bonds for cash redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 11.--Call, February 9, 1954, for redemption on June 15, 1954, of 2-1/4 percent Treasury bonds of 1954-56, dated July 22, 1940 (Federal Register, February 12, 1954)

NOTICE OF CALL FOR REDEMPTION

To Holders of 2-1/4 Percent Treasury Bonds of 1954-56, and Others Concerned:

1. Public notice is hereby given that all outstanding 2-1/4 percent Treasury bonds of 1954-56, dated July 22, 1940, due June 15, 1956, are hereby called for redemption on June 15, 1954, on which date interest on such bonds will cease.

2. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given and an official circular governing the exchange offering will be issued.

3. Full information regarding the presentation and surrender of the bonds for cash redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

G. M. Humphrey,
Secretary of the Treasury.

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## TREASURY BILLS

### Exhibit 12.--Inviting tenders for Treasury bills dated June 24, 1954 (press release of June 17, 1954)

The Treasury Department, by this public notice, invites tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing June 24, 1954, in the amount of $1,501,190,000, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be dated June 24, 1954, and will mature September 23, 1954, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, two o'clock p. m., eastern daylight saving time, Monday, June 21, 1954. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 24, 1954, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 24, 1954. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury

bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, revised, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or branch.

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## Exhibit 13.--Acceptance of tenders for Treasury bills dated June 24, 1954 (press release of June 22, 1954)

The Treasury Department announced last evening that the tenders for $1,500,000,000, or thereabouts, of 91-day Treasury bills to be dated June 24 and to mature September 23, 1954, which were offered on June 17, were opened at the Federal Reserve Banks on June 21.

The details of this issue are as follows:

| | |
|---|---|
| Total applied for | $2,207,297,000 |
| Total accepted (includes $224,335,000 entered on a noncompetitive basis and accepted in full at the average price shown below) | 1,500,973,000 |
| Average price, equivalent rate of discount approximately 0.635% per annum | 99.840 |
| Range of accepted competitive bids: | |
| High, equivalent rate of discount approximately 0.613% per annum | 99.845 |
| Low, equivalent rate of discount approximately 0.649% per annum | 99.836 |

(14 percent of the amount bid for at the low price was accepted)

| Federal Reserve district | Total applied for | Total accepted |
|---|---|---|
| Boston | $29,051,000 | $25,051,000 |
| New York | 1,569,696,000 | 898,156,000 |
| Philadelphia | 31,067,000 | 16,067,000 |
| Cleveland | 49,888,000 | 49,888,000 |
| Richmond | 15,847,000 | 15,847,000 |
| Atlanta | 30,552,000 | 29,522,000 |
| Chicago | 237,575,000 | 230,695,000 |
| St. Louis | 19,603,000 | 19,603,000 |
| Minneapolis | 15,386,000 | 15,286,000 |
| Kansas City | 44,891,000 | 44,547,000 |
| Dallas | 46,955,000 | 46,955,000 |
| San Francisco | 116,786,000 | 109,356,000 |
| Total | 2,207,297,000 | 1,500,973,000 |

## Exhibit 14.--Inviting tenders for the Tax Anticipation Series of Treasury bills dated April 27, 1954 (press release of April 16, 1954)

The Treasury Department, by this public notice, invites tenders for $1,000,000,000, or thereabouts, of 52-day Treasury bills, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series

will be designated Tax Anticipation Series, they will be dated April 27, 1954, and they will mature June 18, 1954. They will be accepted at face value in payment of income and profits taxes due on June 15, 1954, and to the extent they are not presented for this purpose the face amount of these bills will be payable without interest at maturity. Taxpayers desiring to apply these bills in payment of June 15, 1954, income and profits taxes have the privilege of surrendering them to any Federal Reserve Bank or branch not more than fifteen days before June 15, 1954, and receiving receipts therefor showing the face amount of the bills so surrendered. These receipts may be submitted in lieu of the bills on or before June 15, 1954, to the District Director of Internal Revenue for the district in which such taxes are payable. They will be issued in bearer form only, and in denominations of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hours, two o'clock p. m., eastern standard time, Wednesday, April 21, 1954. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of $1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on April 27, 1954, in cash or other immediately available funds, provided, however, any qualified depositary will be permitted to make payment by credit in its Treasury tax and loan account for Treasury bills allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits when so notified by the Federal Reserve Bank of its district.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by an State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under Sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by Section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity,

or the amount of income or profits taxes paid by means of the bills, during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, Revised, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or branch.

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## Exhibit 15. --Acceptance of tenders for the Tax Anticipation Series of Treasury bills dated April 27, 1954 (press release of April 22, 1954)

The Treasury Department announced last evening that the tenders for $1,000,000,000, or thereabouts, of Tax Anticipation Series 52-day Treasury bills to be dated April 27 and to mature June 18, 1954, which were offered on April 16, were opened at the Federal Reserve Banks on April 21.

The details of this issue are as follows:

| | |
|---|---|
| Total applied for | $2,986,820,000 |
| Total accepted (includes $207,595,000 entered on a noncompetitive basis and accepted in full at the average price shown below) | 1,000,883,000 |
| Average price, equivalent rate of discount approximately 0.726% per annum | 99.895 + |
| Range of accepted competitive bids: | |
| High, equivalent rate of discount approximately 0.672% per annum | 99.903 |
| Low, equivalent rate of discount approximately 0.748% per annum | 99.892 |

(21 percent of the amount bid for at the low price was accepted)

| Federal Reserve district | Total applied for | Total accepted |
|---|---|---|
| Boston | $143,996,000 | $43,802,000 |
| New York | 1,428,380,000 | 281,165,000 |
| Philadelphia | 124,738,000 | 23,600,000 |
| Cleveland | 166,585,000 | 45,320,000 |
| Richmond | 108,162,000 | 34,176,000 |
| Atlanta | 81,344,000 | 39,444,000 |
| Chicago | 331,602,000 | 257,640,000 |
| St. Louis | 67,678,000 | 33,347,000 |
| Minneapolis | 56,086,000 | 30,478,000 |
| Kansas City | 99,645,000 | 47,672,000 |
| Dallas | 89,370,000 | 44,555,000 |
| San Francisco | 289,234,000 | 119,684,000 |
| Total | 2,986,820,000 | 1,000,883,000 |

## Exhibit 16. --Summary of information pertaining to Treasury bills.

Press releases pertaining to the Weekly Series of Teasury bill issues during the fiscal year 1954 were similar in form to exhibits 12 and 13 of this report. The press releases pertaining to the March 22, 1954, Tax Anticipation Series were similar in form to exhibits 14 and 15, except that payment by credit in Treasury tax and loan accounts was not permitted. The releases are not reproduced in this report but the essential details regarding each issue are summarized in the following table.

Summary of information pertaining to Treasury bills[1] issued during the fiscal year 1954

| Date of issue | Date of maturity | Days to maturity | Maturity value (in thousands of dollars): Total applied for | Tenders accepted: Total accepted | Tenders accepted: On competitive basis | Tenders accepted: On noncompetitive basis[2] | Tenders accepted: For cash | Tenders accepted: In exchange | Prices and rates: Total bids accepted: Average price per hundred | Total bids accepted: Equivalent average rate[3] (percent) | Competitive bids accepted: High: Price per hundred | High: Equivalent rate[3] (percent) | Low: Price per hundred | Low: Equivalent rate[3] (percent) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Weekly Series | | | | | | | | | | | | | | |
| 1953 | 1953 | | | | | | | | | | | | | |
| July 2 | Oct. 1 | 91 | 2,191,999 | 1,500,319 | 1,296,425 | 203,894 | 1,411,995 | 88,324 | 99.468 | 2.106 | 99.524 | 1.883 | 99.457 | 2.148 |
| 9 | 8 | 91 | 2,166,893 | 1,501,179 | 1,274,703 | 226,476 | 1,381,878 | 119,301 | 99.493 | 2.007 | [4] 99.499 | 1.982 | 99.486 | 2.033 |
| 16 | 15 | 91 | 2,276,662 | 1,500,280 | 1,232,736 | 267,544 | 1,268,738 | 231,542 | 99.468 | 2.106 | 99.519 | 1.903 | 99.462 | 2.128 |
| 23 | 22 | 91 | 2,380,316 | 1,500,620 | 1,218,473 | 282,147 | 1,310,273 | 190,347 | 99.462 | 2.127 | 99.507 | 1.950 | 99.459 | 2.140 |
| 30 | 29 | 91 | 2,262,226 | 1,500,110 | 1,239,794 | 260,316 | 1,389,125 | 110,985 | 99.455 | 2.157 | 99.494 | 2.002 | 99.452 | 2.168 |
| Aug. 6 | Nov. 5 | 91 | 2,409,502 | 1,500,309 | 1,238,928 | 261,381 | 1,318,554 | 181,755 | 99.460 | 2.136 | 99.481 | 2.053 | 99.459 | 2.140 |
| 13 | 12 | 91 | 2,363,148 | 1,500,702 | 1,202,927 | 297,775 | 1,292,665 | 208,037 | 99.465 | 2.116 | 99.494 | 2.002 | 99.464 | 2.120 |
| 20 | 19 | 91 | 2,494,735 | 1,501,428 | 1,201,068 | 300,360 | 1,347,193 | 154,235 | 99.469 | 2.101 | 99.482 | 2.049 | 99.468 | 2.105 |
| 27 | 27 | 92 | 2,545,560 | 1,501,518 | 1,252,302 | 249,216 | 1,308,852 | 192,666 | 99.489 | 2.001 | 99.490 | 1.996 | 99.487 | 2.007 |
| Sept. 3 | Dec. 3 | 91 | 2,368,175 | 1,500,482 | 1,270,514 | 229,968 | 1,324,804 | 175,678 | 99.504 | 1.961 | 99.507 | 1.950 | 99.503 | 1.966 |
| 10 | 10 | 91 | 2,023,108 | 1,500,508 | 1,278,487 | 222,021 | 1,407,773 | 92,735 | 99.506 | 1.953 | 99.519 | 1.903 | 99.502 | 1.970 |
| 17 | 17 | 91 | 2,555,793 | 1,500,290 | 1,169,235 | 331,055 | 1,306,877 | 193,413 | 99.505 | 1.957 | 99.520 | 1.899 | 99.505 | 1.958 |
| 24 | 24 | 91 | 2,149,975 | 1,499,948 | 1,213,247 | 286,701 | 1,241,775 | 258,173 | 99.587 | 1.634 | 99.596 | 1.598 | 99.575 | 1.681 |
| Oct. 1 | 31 | 91 | 2,366,939 | 1,500,943 | 1,279,595 | 221,348 | 1,260,231 | 240,712 | 99.600 | 1.583 | 99.605 | 1.563 | 99.598 | 1.590 |
| | 1954 | | | | | | | | | | | | | |
| 8 | Jan. 7 | 91 | 2,541,651 | 1,500,820 | 1,273,910 | 226,910 | 1,369,789 | 131,031 | 99.647 | 1.397 | 99.651 | 1.381 | 99.644 | 1.408 |
| 15 | 14 | 91 | 2,219,628 | 1,501,444 | 1,276,071 | 225,373 | 1,263,302 | 238,142 | 99.637 | 1.438 | 99.684 | 1.250 | 99.634 | 1.448 |
| 22 | 21 | 91 | 2,366,509 | 1,500,749 | 1,241,963 | 258,786 | 1,322,722 | 178,027 | 99.653 | 1.372 | [5] 99.656 | 1.361 | 99.652 | 1.377 |
| 29 | 28 | 91 | 2,096,073 | 1,499,879 | 1,277,376 | 222,503 | 1,387,710 | 112,169 | 99.692 | 1.220 | 99.697 | 1.199 | 99.688 | 1.234 |
| Nov. 5 | Feb. 4 | 91 | 2,066,298 | 1,500,621 | 1,318,609 | 182,012 | 1,331,977 | 168,644 | 99.670 | 1.306 | 99.710 | 1.147 | 99.663 | 1.333 |
| 12 | 11 | 91 | 2,198,251 | 1,500,066 | 1,244,631 | 255,435 | 1,301,211 | 198,855 | 99.626 | 1.481 | 99.700 | 1.187 | 99.621 | 1.499 |
| 19 | 18 | 91 | 2,265,098 | 1,501,687 | 1,240,938 | 260,749 | 1,343,571 | 158,116 | 99.638 | 1.433 | 99.655 | 1.365 | 99.635 | 1.444 |
| 27 | 25 | 90 | 2,168,957 | 1,501,170 | 1,269,909 | 231,261 | 1,262,738 | 238,432 | 99.628 | 1.488 | 99.675 | 1.300 | 99.625 | 1.500 |
| Dec. 3 | Mar. 4 | 91 | 2,024,857 | 1,500,262 | 1,286,390 | 213,872 | 1,295,134 | 205,128 | 99.598 | 1.589 | 99.638 | 1.432 | 99.592 | 1.614 |
| 10 | 11 | 91 | 1,999,149 | 1,500,689 | 1,269,163 | 231,526 | 1,345,922 | 154,767 | 99.595 | 1.603 | [6] 99.615 | 1.523 | 99.589 | 1.626 |
| 17 | 18 | 91 | 2,216,421 | 1,500,538 | 1,224,603 | 275,935 | 1,285,811 | 214,727 | 99.575 | 1.682 | 99.621 | 1.499 | 99.570 | 1.701 |
| 24 | 25 | 91 | 2,290,302 | 1,501,272 | 1,259,380 | 241,892 | 1,201,862 | 299,410 | 99.569 | 1.704 | 99.610 | 1.543 | 99.566 | 1.717 |
| 31 | Apr. 1 | 91 | 2,334,702 | 1,502,270 | 1,295,662 | 206,608 | 1,185,382 | 316,888 | 99.602 | 1.574 | 99.607 | 1.555 | 99.601 | 1.578 |
| 1954 | | | | | | | | | | | | | | |
| Jan. 7 | 8 | 91 | 2,607,857 | 1,500,289 | 1,281,418 | 218,871 | 1,308,775 | 191,514 | 99.668 | 1.314 | 99.670 | 1.305 | 99.666 | 1.321 |
| 14 | 15 | 91 | 2,321,010 | 1,500,428 | 1,234,732 | 265,696 | 1,379,701 | 120,727 | 99.662 | 1.336 | 99.697 | 1.199 | 99.659 | 1.349 |
| 21 | 22 | 91 | 2,558,901 | 1,501,961 | 1,242,609 | 259,352 | 1,364,472 | 137,489 | 99.695 | 1.208 | 99.701 | 1.183 | 99.692 | 1.218 |
| 28 | 29 | 91 | 2,140,313 | 1,500,313 | 1,283,210 | 217,103 | 1,265,035 | 235,278 | 99.748 | 0.998 | 99.756 | 0.965 | 99.736 | 1.044 |
| Feb. 4 | May 6 | 91 | 2,296,202 | 1,500,318 | 1,318,895 | 181,423 | 1,318,742 | 181,576 | 99.739 | 1.031 | 99.775 | 0.890 | 99.734 | 1.052 |
| 11 | 13 | 91 | 2,252,689 | 1,501,294 | 1,279,847 | 221,447 | 1,291,254 | 210,040 | 99.774 | 0.893 | 99.780 | 0.870 | 99.770 | 0.910 |
| 18 | 20 | 91 | 2,139,807 | 1,499,945 | 1,293,558 | 206,387 | 1,308,976 | 190,969 | 99.741 | 1.024 | 99.795 | 0.811 | 99.736 | 1.044 |
| 25 | 27 | 91 | 2,189,260 | 1,500,726 | 1,325,243 | 175,483 | 1,276,024 | 224,702 | 99.751 | 0.986 | 99.795 | 0.811 | 99.748 | 0.997 |

Footnotes at end of table.

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Summary of information pertaining to Treasury bills[1] issued during the fiscal year 1954--Continued

| Date of issue | Date of maturity | Days to maturity | Maturity value (in thousands of dollars): Total applied for | Tenders accepted: Total accepted | Tenders accepted: On competitive basis | Tenders accepted: On noncompetitive basis[2] | Tenders accepted: For cash | Tenders accepted: In exchange | Prices and rates: Total bids accepted: Average price per hundred | Total bids accepted: Equivalent average rate[3] (percent) | Competitive bids accepted: High: Price per hundred | High: Equivalent rate[3] (percent) | Low: Price per hundred | Low: Equivalent rate[3] (percent) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Weekly Series** | | | | | | | | | | | | | | |
| 1954 | 1954 | | | | | | | | | | | | | |
| Mar. 4 | June 3 | 91 | 2,221,041 | 1,500,998 | 1,298,848 | 202,150 | 1,314,186 | 186,812 | 99.732 | 1.060 | [7] 99.752 | 0.981 | 99.728 | 1.076 |
| 11 | 10 | 91 | 2,268,989 | 1,501,139 | 1,287,669 | 213,470 | 1,385,378 | 115,761 | 99.731 | 1.065 | 99.752 | 0.981 | 99.728 | 1.076 |
| 18 | 17 | 91 | 2,531,185 | 1,501,048 | 1,244,091 | 256,957 | 1,300,398 | 200,650 | 99.733 | 1.056 | 99.740 | 1.029 | 99.731 | 1.064 |
| 25 | 24 | 91 | 2,371,597 | 1,501,190 | 1,257,073 | 244,117 | 1,292,623 | 208,567 | 99.740 | 1.030 | [8] 99.747 | 1.001 | 99.737 | 1.040 |
| Apr. 1 | July 1 | 91 | 2,339,935 | 1,500,672 | 1,309,111 | 191,561 | 1,316,349 | 184,323 | 99.731 | 1.063 | [9] 99.750 | 0.989 | 99.729 | 1.072 |
| 8 | 8 | 91 | 2,137,884 | 1,499,953 | 1,305,808 | 194,145 | 1,359,692 | 140,261 | 99.744 | 1.013 | [10] 99.747 | 1.001 | 99.742 | 1.021 |
| 15 | 15 | 91 | 2,214,164 | 1,501,274 | 1,259,607 | 241,667 | 1,354,998 | 146,276 | 99.731 | 1.066 | [11] 99.750 | 0.989 | 99.728 | 1.076 |
| 22 | 22 | 91 | 2,364,533 | 1,501,452 | 1,270,631 | 230,821 | 1,348,976 | 152,476 | 99.740 | 1.027 | [12] 99.743 | 1.017 | 99.739 | 1.033 |
| 29 | 29 | 91 | 2,493,521 | 1,502,532 | 1,286,554 | 215,978 | 1,292,026 | 210,506 | 99.776 | 0.886 | 99.778 | 0.878 | 99.775 | 0.890 |
| May 6 | Aug. 5 | 91 | 2,289,953 | 1,502,208 | 1,302,882 | 199,326 | 1,323,374 | 178,834 | 99.805 | 0.773 | 99.808 | 0.760 | 99.803 | 0.779 |
| 13 | 12 | 91 | 2,285,019 | 1,500,849 | 1,289,237 | 211,612 | 1,274,134 | 226,715 | 99.792 | 0.824 | 99.835 | 0.653 | 99.789 | 0.835 |
| 20 | 19 | 91 | 2,227,635 | 1,501,427 | 1,294,372 | 207,055 | 1,334,770 | 166,657 | 99.795 | 0.812 | [13] 99.800 | 0.791 | 99.793 | 0.819 |
| 27 | 26 | 91 | 2,327,116 | 1,502,782 | 1,329,743 | 173,039 | 1,252,537 | 250,245 | 99.818 | 0.718 | 99.822 | 0.704 | 99.817 | 0.724 |
| June 3 | Sept. 2 | 91 | 2,200,412 | 1,500,502 | 1,341,422 | 159,080 | 1,224,659 | 275,843 | 99.820 | 0.714 | [14] 99.825 | 0.692 | 99.818 | 0.720 |
| 10 | 9 | 91 | 2,068,900 | 1,500,190 | 1,312,853 | 187,337 | 1,406,474 | 93,716 | 99.844 | 0.616 | 99.846 | 0.609 | 99.842 | 0.625 |
| 17 | 16 | 91 | 2,225,753 | 1,500,603 | 1,296,390 | 204,213 | 1,320,331 | 180,272 | 99.840 | 0.633 | 99.850 | 0.593 | 99.837 | 0.645 |
| 24 | 23 | 91 | 2,207,297 | 1,500,973 | 1,276,638 | 224,335 | 1,462,513 | 38,460 | 99.840 | 0.635 | 99.845 | 0.613 | 99.836 | 0.649 |
| **Tax Anticipation Series** | | | | | | | | | | | | | | |
| Mar. 22 | June 24 | 94 | 2,717,273 | 1,500,659 | 1,345,295 | 155,364 | 1,500,659 | ------- | 99.750 | 0.956 | 99.775 | 0.862 | 99.747 | 0.969 |
| Apr. 27 | June 18 | 52 | 2,987,020 | 1,001,083 | 793,288 | 207,795 | 1,001,083 | ------- | 99.895 | 0.726 | 99.903 | 0.672 | 99.892 | 0.748 |

Note.--Amount of matured issues will be found in table 23.

[1] The usual timing with respect to issues of Treasury bills is: Press release inviting tendere, 7 days before date of issue; closing date on which tenders are accepted, 3 days before date of issue; and press release announcing acceptance of tenders, 2 days before date of issue. Figures are final and differ in many instances from those shown in press releases announcing details of particular issue.

[2] Noncompetitive tenders for $200,000 or less without stated price from any one bidder were accepted in full at average price for accepted competitive bids.

[3] Bank-discount basis.

[4] Except $200,000 at 99.524.

[5] Except $200,000 at 99.684.

[6] Except $300,000 at 99.638.

[7] Except $85,000 at 99.775.

[8] Except $127,000 at 99.775.

[9] Except $200,000 at 99.765.

[10] Except $300,000 at 99.760.

[11] Except $325,000 at 99.765.

[12] Except $200,000 at 99.747.

[13] Except $100,000 at 99.820

[14] Except $200,000 at 99.900.

## Exhibit 17. --Eighth amendment, July 3, 1953, to Department Circular No. 418, regulations governing Treasury bills

TREASURY DEPARTMENT,
Washington, July 3, 1953.

Paragraph 6 of Department Circular No. 418, as amended (31 CFR 309.6), is hereby revised to read as follows:

PUBLIC NOTICE

"6. When Treasury bills are to be offered, tenders therefor will be invited through public notice given by the Secretary of the Treasury. Such public notices may be issued by the Secretary of the Treasury in the name of "the Treasury Department" with the same force and effect as if issued in the name of the Secretary of the Treasury. In such notice there will be set forth the amount of Treasury bills for which tenders are then invited, the date of issue, the date or dates when such bills will become due and payable, the date and closing hour for the receipt of tenders at the Federal Reserve Banks and branches, and the date on which payment for accepted tenders must be made or completed."

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 18. --Revision, February 23, 1954, of Department Circular No. 418, regulations governing Treasury bills

TREASURY DEPARTMENT,
Washington, February 23, 1954.

Department Circular No. 418, dated February 28, 1941 (31 CFR 309), as amended, is hereby issued as a revision to read as follows:

Sec. 309.1 Authority for issue and sale.--The Secretary of the Treasury is authorized by the Second Liberty Bond Act, as amended, to issue Treasury bills of the United States on an interest-bearing basis, on a discount basis, or on a combination interest-bearing and discount basis, at such price or prices and with interest computed in such manner and payable at such time or times as he may prescribe; and to fix the form, terms, and conditions thereof, and to offer them for sale on a competitive or other basis, under such regulations and upon such terms and conditions as he may prescribe. Pursuant to said authorization, the Secretary of the Treasury may, from time to time, by public notice, offer Treasury bills for sale, and invite tenders therefor, through the Federal Reserve Banks. The Treasury bills so offered, and the tenders made, will be subject to the terms and conditions and to the general rules and regulations herein set forth, except as they may be modified in the public notices issued by the Secretary of the Treasury in connection with particular offerings.[1]

Sec. 309.2 Description of Treasury bills (general).--Treasury bills are bearer obligations of the United States promising to pay a specified amount on a specified date. They will be payable at maturity upon presentation to the Treasurer of the United States, in Washington, or to any Federal Reserve Bank. Treasury bills are issued only by Federal Reserve Banks pursuant to tenders accepted by the Secretary of the Treasury, and shall not be valid unless the issue date and the maturity date are entered thereon. Treasury bills bearing the same issue date and the same maturity date shall constitute a series.

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[1] Accordingly, these regulations do not constitute a specific offering of Treasury bills.

Sec. 309.3 Denominations and exchange.--Treasury bills will be issued in denominations (maturity value) of $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000. Exchanges from higher to lower denominations of the same series (bearing the same issue and maturity dates) will be permitted at Federal Reserve Banks. Insofar as applicable, the general regulations of the Treasury Department governing transactions in bonds and notes will govern transactions in Treasury bills.

Sec. 309.4 Taxation.--The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest.

Sec. 309.5 Acceptance as security for public deposits and in payment of taxes (when specifically provided for by the Secretary of the Treasury).--Treasury bills will be acceptable at maturity value to secure deposits of public moneys; they will not bear the circulation privilege. The Secretary of the Treasury, in his discretion, when inviting tenders for Treasury bills, may provide that Treasury bills of any series will be acceptable at maturity value, whether at or before maturity, under such rules and regulations as he shall prescribe or approve, in payment of income and profits taxes payable under the provisions of the Internal Revenue Code. Any Treasury bills which by the terms of their issue may be accepted in payment of income and profits taxes may be surrendered to any Federal Reserve Bank or branch, acting as fiscal agent of the United States, fifteen days or less before the date on which the taxes become due. The Federal Reserve Bank or branch will issue receipts to the owners showing the face amount of the bills so surrendered. These receipts may be submitted in lieu of the bills on or before the specified tax payment dates to the District Director of Internal Revenue, with the owners' tax returns. Notes secured by Treasury bills are eligible for discount or rediscount at Federal Reserve Banks by member banks, as are notes secured by bonds and notes of the United States, under the provisions of Section 13 of the Federal Reserve Act. They will be acceptable at maturity, but not before, in payment of interest or of principal on account of obligations of foreign governments held by the United States.

Sec. 309.6 Public notice of offering.--When Treasury bills are to be offered, tenders therefor will be invited through public notice given by the Secretary of the Treasury. Such public notices may be issued by the Secretary of the Treasury in the name of "the Treasury Department" with the same force and effect as if issued in the name of the Secretary of the Treasury. In such notice there will be set forth the amount of Treasury bills for which tenders are then invited, the date of issue, the date or dates when such bills will become due and payable, the date and closing hour for the receipt of tenders at the Federal Reserve Banks and branches, and the date on which payment for accepted tenders must be made or completed.

Sec. 309.7 Tenders; submission through Federal Reserve Banks.--Tenders in response to any such public notice will be received only at the Federal Reserve Banks, or branches thereof, and unless received before the time fixed for closing will be disregarded. Tenders will not be received at the Treasury Department. Each tender must be for an amount in an even multiple of $1,000 (maturity value). In the case of competitive tenders the price or prices offered by the bidder for the amount or amounts (at maturity value) applied for must be stated, and must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used.

Sec. 309.8 Tenders; when cash deposit is required.--Tenders should be submitted on the printed forms and forwarded in the special envelopes which will be supplied on application to any Federal Reserve Bank, or branch. If a special envelope is not available, the inscription "Tender for Treasury Bills" should be placed on the envelope used. The instructions of the Federal Reserve Banks with respect to the submission

of tenders should be observed. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders from incorporated banks and trust companies, and from responsible and recognized dealers in investment securities will be received without deposit. Tenders from all others must be accompanied by a payment of such percent of the face amount of the Treasury bills applied for as the Secretary of the Treasury may from time to time prescribe: Provided, however, That such deposit will not be required if the tender is accompanied by an express guaranty of payment in full by an incorporated bank or trust company. Forfeiture of the prescribed payment may be declared by the Secretary of the Treasury, if payment is not completed, in the case of accepted tenders, on the prescribed date.

Sec. 309.9 Tenders; acceptance by the Secretary of the Treasury.--At the time fixed for closing, as specified in the public notice, all tenders received by the Federal Reserve Banks, or branches, will be opened. The Secretary of the Treasury will determine the acceptable prices offered and will make public announcement thereof. Those submitting tenders will be advised by the Federal Reserve Banks of the acceptance or rejection thereof, and payment on accepted tenders must be made or completed on the date specified in the public notice.

Sec. 309.10 Tenders; reservation of right to reject.--In considering the acceptance of tenders, the highest prices offered will be accepted in full down to the amount required, and if the same price appears in two or more tenders and it is necessary to accept only a part of the amount offered at such price, the amount accepted at such price will be prorated in accordance with the respective amounts applied for. However, the Secretary of the Treasury expressly reserves the right on any occasion to accept noncompetitive tenders entered in accordance with specific offerings, to reject any or all tenders or parts of tenders, and to award less than the amount applied for; and any action he may take in any such respect or respects shall be final.

Sec. 309.11 Tenders; payment of accepted tenders.--Settlement for accepted tenders in accordance with the bids must be made or completed at the appropriate Federal Reserve Bank in cash or other immediately available funds on or before the date specified, except that the Secretary of the Treasury, in his discretion, when inviting tenders for Treasury bills, may provide: (a) that any qualified depositary may make such settlement by credit, on behalf of itself and its customers, up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district or (b) that such settlement may be made in maturing Treasury bills accepted in exchange. Whenever the Secretary provides for settlement in maturing Treasury bills, cash adjustments will be made for differences between the par value of the maturing bills and the issue price of the new bills.

Sec. 309.12 Relief on account of loss, theft, or destruction, etc.--(a) Relief on account of the loss, theft, destruction, mutilation, or defacement of Treasury bills may be given only under the authority of, and subject to the conditions set forth in section 8 of the act of July 8, 1937 (50 Stat. 481), as amended (31 U. S. C. 738a) and the regulations pursuant thereto in Treasury Department Circular No. 300 insofar as applicable.

(b) In case of the loss, theft, destruction, mutilation, or defacement of Treasury bills, immediate advice, with a full description of the bill or bills involved, should be sent to the Division of Loans and Currency, Treasury Department, Washington 25, D. C., either direct or through any Federal Reserve Bank, and, if relief under the statutes may be given, instructions and necessary blank forms will be furnished.

Sec. 309.13 Functions of Federal Reserve Banks.--Federal Reserve Banks, as fiscal agents of the United States, are authorized to perform all such acts as may be necessary to carry out the provisions of this circular and of any public notice or notices issued in connection with any offering of Treasury bills.

Sec. 309.14 Reservation as to terms of circular.--The Secretary of the Treasury reserves the right further to amend, supplement, revise, or withdraw all or any of the provisions of this circular at any time, or from time to time.

A. N. Overby,
Acting Secretary of the Treasury.

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# TREASURY SAVINGS NOTES AND UNITED STATES SAVINGS BONDS

## Exhibit 19.--First amendment, September 25, 1953, to Department Circular No. 922, withdrawal of Treasury savings notes of Series B.

TREASURY DEPARTMENT,
Washington, September 25, 1953.

WITHDRAWAL OF SERIES B NOTES

The sale of Treasury savings notes, Series B, offered under Department Circular No. 922, dated May 11, 1953, is hereby terminated at the close of business September 25, 1953. Applications placed in the mails addressed to a Federal Reserve Bank or branch or the Treasurer of the United States, or authorizations to banking institutions by their customers requesting that applications be submitted on their behalf, and postmarked prior to seven o'clock p. m., eastern daylight saving time, on that date, and those received from depositaries qualified pursuant to the provisions of Treasury Department Circular No. 92, Revised, as amended, for which payment is made by credit before the close of business on that date in accordance with Section 334.12 of Department Circular No. 922, will be considered as having been received before the sale of the notes terminated.

M. B. FOLSOM,
Acting Secretary of the Treasury.

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## Exhibit 20.--Offering of Treasury savings notes of Series C

[Department Circular No. 931. Public Debt]

TREASURY DEPARTMENT,
Washington, October 1, 1953.

SUBPART A: OFFERING OF NOTES

Sec. 335.1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers for sale to the people of the United States, at par and accrued interest as provided in section 335.11 hereof, an issue of notes of the United States designated Treasury savings notes, Series C, which notes, if inscribed in the name of a Federal taxpayer, will be receivable as hereinafter provided at par and accrued interest in payment of income, estate, and gift taxes imposed by the Internal Revenue Code, or laws amendatory or supplementary thereto. The notes may also be redeemed for cash at par and accrued interest, with certain exceptions applicable to banking institutions, as provided in section 335.15 hereof.

Sec. 335.2. Duration of offer.--The sale of notes of Series C offered by this circular will begin on October 1, 1953, and will continue until terminated by the Secretary of the Treasury.

Sec. 335.3. Definitions.--(a) The word "month" as used herein means the period from and including the 15th day of any one calendar month to but not including the 15th day of the next succeeding month.

(b) The words "issue date" mean the date as of which a note is issued and will always be the 15th day of a calendar month.

(c) The words "interest accrual date" or "accrual date" mean the date upon which a month's interest accrues on a note, the first accrual date being the 15th day of the calendar month next following the issue date.

SUBPART B: DESCRIPTION OF NOTES

Sec. 335.4. General.--Treasury savings notes, Series C, will in each instance be dated as of the 15th day of a calendar month. The issue date will be determined by the day of the month on which payment at par and accrued interest, if any, is received and credited by an agency authorized to issue the notes. For example, payment received and credited on any day during the period from and including October 1, 1953, to and including October 14, 1953, would result in the issue of notes dated September 15, 1953. They will mature two years from that date and may not be called by the Secretary of the Treasury for redemption before maturity. All notes bearing issue dates within any one calendar year shall constitute a separate series indicated by the letter "C" followed by the year of maturity. At the time of issue the issuing agency will inscribe on the face of each note the name and address of the owner, will enter the issue date and will imprint its dating stamp (with current date). The notes will be issued in denominations of $100, $500, $1,000, $5,000, $10,000, $100,000, $500,000, and $1,000,000. Excnange of authorized denominations from higher to lower, but not from lower to higher, may be arranged at any agency that issues Treasury savings notes, Series C.

Sec. 335.5. Acceptance for taxes or cash redemption.--If inscribed in the name of an individual, corporation, or other entity paying income, estate, or gift taxes imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto, the notes will be receivable, subject to the provisions of section 335.14 of this circular, at par and accrued interest, in payment of such income, estate, or gift taxes assessed against the owner or his estate. If not presented in payment of taxes, or if not inscribed in the name of a taxpayer liable to the above-described taxes, and subject to the provisions of section 335.15 of this circular, the notes will be payable at maturity, or at the owner's option and request they will be redeemable before maturity at par and accrued interest.

Sec. 335.6. Interest.--Interest on each $1,000 principal amount of Treasury savings notes, Series C, will accrue monthly on the 15th calendar day of each month after the issue date on a graduated scale. Interest accruals on the notes first issued hereunder shall be as follows:

| | |
|---|---|
| First to sixth months, inclusive | $1.30 each month |
| Seventh to twelfth months, inclusive | 1.90 each month |
| Thirteenth to eighteenth months, inclusive | 2.10 each month |
| Nineteenth to twenty-fourth months, inclusive | 2.20 each month |

The Secretary of the Treasury may at any time terminate the issuance of notes hereunder with interest accruals as provided above, and may at any time, or from time to time, authorize the issuance of additional notes hereunder with such other interest accruals as he may prescribe. The table appended to this circular shows for notes of each denomination, for each consecutive month after issue date to maturity, (a) the amount of interest accrual, (b) the principal amount of the note with accrued interest (cumulative) added, and (c) the approximate investment yields. Subject to the provisions of sections 335.14 and 335.15 hereof, when Treasury savings notes, Series C, are to be paid on an interest accrual date, the payment will include interest accruing on that date; otherwise, interest will be paid only to the interest accrual date next preceding the date of payment. Interest will be paid only with the principal amount, and will not accrue beyond the maturity date of the note.

Sec. 335.7. Forms of inscription.--Treasury savings notes, Series C, may be inscribed in the name of an individual, corporation, unincorporated association or society, or a fiduciary (including trustees under a duly established trust where the notes would not be held as security for the performance of a duty or obligation), whether or not the inscribed owner is subject to taxation under the Internal Revenue Code, or laws amendatory or supplementary thereto. They may also be inscribed in the name of a town, city, county, or State or other governmental body and in the name of a partnership,

but notes in the name of a partnership are not acceptable in payment of taxes, since a partnership is not a taxpaying entity under the Internal Revenue Code. The notes will not be inscribed in the names of two or more persons as joint owners or coowners; or in the name of a public officer, whether or not named as trustee, where the notes would in effect be held as security for the performance of a duty or obligation.

Sec. 335.8. Restrictions on transfer.--Except as otherwise specifically provided herein, the notes may not be transferred, reissued, hypothecated, or pledged as security, may not be paid to any person other than the owner, and may not be accepted in payment of Federal income, estate, or gift taxes assessed against any person other than the owner. The notes will not be acceptable to secure deposits of public moneys.

Sec. 335.9. Taxation.--Income derived from the notes shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. The notes shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

## SUBPART C: PURCHASE OF NOTES

Sec. 335.10. Official agencies.--In addition to the Treasury Department, the Federal Reserve Banks and their branches are hereby designated agencies for the issue and redemption of Treasury savings notes, Series C. The Secretary of the Treasury, from time to time, in his discretion, may designate other agencies for the issue of the notes, or for accepting applications therefor, or for making payments on account of the redemption thereof.

Sec. 335.11. Applications and payment.--Applications will be received by the Federal Reserve Banks and branches and by the Treasurer of the United States, Washington, D. C. Banking institutions generally may submit applications for the account of customers but only the Federal Reserve Banks, their branches and the Treasury Department are authorized to act as official agencies. The use of an official application form is desirable but not necessary. Such forms may be obtained upon request from any Federal Reserve Bank or branch or the Treasurer of the United States. Every application must be accompanied by payment in full, at par and accrued interest, if any. The amount of accrued interest payable by the purchaser will be computed at the rate at which interest accrues on the notes ($1.30 per month per $1,000 par amount) for the actual number of days from but not including the issue date to and including the date funds are credited to the account of the Treasurer of the United States. For example, if funds are credited on the 20th day of January the issue date will be January 15, and five days' accrued interest must be paid by the purchaser. If collection is delayed so that credit is not given until February 15, the issue date will be February 15, and no accrued interest will be collectible. One day's accrued interest for a thirty-one day period is $0.04194 per $1,000, for a thirty day period $0.04333 per $1,000, for a twenty-nine day period $0.04483 per $1,000, and for a twenty-eight day period $0.04643 per $1,000. Any form of exchange, including personal checks, will be accepted, subject to collection, and should be drawn to the order of the Federal Reserve Bank or the Treasurer of the United States, as payee, as the case may be. Any depositary qualified pursuant to the provisions of Treasury Department Circular No. 92, Revised, as amended, will be permitted to make payment by credit for notes applied for on behalf of itself or its customers up to any amount for which it shall be qualified in excess of existing deposits.

Sec. 335.12. Reservations.--The Secretary of the Treasury reserves the right to reject any application in whole or in part, and to refuse to issue or permit to be issued hereunder any notes in any case or in any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final. If an application is rejected, in whole or in part, any payment received therefor will be refunded.

Sec. 335.13. Delivery of notes.--Upon acceptance of a full-paid application, notes will be duly inscribed and, unless delivered in person, will be delivered, at the risk and expense of the United States at the address given by the purchaser, by mail, but only within the United States, its Territories and island possessions, and the Canal Zone. No deliveries elsewhere will be made.

## SUBPART D: PRESENTATION IN PAYMENT OF TAXES

Sec. 335.14. At any time after two months from the issue date, during such time and under such rules and regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe, notes issued hereunder in the name of a Federal taxpayer, may be presented by such taxpayer, his agent or his estate for credit against any income (current and back, personal and corporation taxes, and excess profits taxes) or any estate or gift taxes (current and back) imposed by the Internal Revenue Code, or laws amendatory or supplementary thereto, assessed against the inscribed owner or his estate. For example, a note dated January 15 may be presented for credit against taxes due March 15. The notes will be receivable by the District Director of Internal Revenue at par and accrued Interest to the day (but no accrual beyond maturity) when the taxes are due, if such day falls on the 15th day of a calendar month, whether the notes are received on or before that day. If the taxes are due on any other day of the month than the 15th, accrued interest will be credited to the accrual date next preceding the day when the taxes are due. Notes are receivable only in payment of taxes equal to or exceeding the entire value of the notes, including accrued interest. The notes may be forwarded to the District Director at the risk and expense of the owner and, for his protection, should be forwarded by registered mail, if not presented in person. The notes may also be deposited with a Federal Reserve Bank or branch and a receipt obtained therefor which may be forwarded to the District Director in lieu of the notes.

## SUBPART E: CASH REDEMPTION AT OR BEFORE MATURITY

Sec. 335.15. General.--Any Treasury savings note, Series C, not presented in payment of taxes will be paid at maturity, or, at the option and request of the owner, and without advance notice, will be redeemed before maturity at any time after four months from the issue date. For example, a note dated January 15 may be redeemed for cash on or after May 15. If redemption prior to maturity is requested on an interest accrual date the redemption will include interest accruing on that date, otherwise redemption will be at par and accrued interest to the interest accrual date next preceding the redemption date, except in the case of a note inscribed in the name of a bank that accepts demand deposits, in which case payment, whether at or before maturity, will be made only at par, with a refund of any accrued interest which may have been paid at the time of purchase of the note. If a note is acquired by a banking institution through forfeiture of a loan, payment will be made at par and the accrued interest payable as of the date of acquisition.

Sec. 335.16. Execution of request for payment.--The owner in whose name the note is inscribed must appear before one of the officers authorized by the Secretary of the Treasury to witness and certify requests for payment, establish his identity, and in the presence of such officer sign and complete the request for payment appearing on the back of the note. After the request for payment has been executed, the witnessing officer should execute the certificate provided for his use.

Sec. 335.17. Officers authorized to certify requests for payment.--All officers authorized to certify requests for payment of United States savings bonds, as set forth in Treasury Department Circular No. 530, Seventh Revision, as amended, are hereby authorized to certify requests for cash redemption of Treasury savings notes issued under this circular. Such officers include, among others, United States postmasters, certain other post office officials, officers of all banks and trust companies incorporated in the United States or its Territories, including officers at branches thereof, and commissioned and warrant officers of the Armed Forces of the United States.

Sec. 335.18. Presentation and surrender.--Notes bearing properly executed requests for payment must be presented and surrendered to any Federal Reserve Bank or branch or to the Treasurer of the United States, Washington 25, D. C., at the expense and risk of the owner. For the owner's protection, notes should be forwarded by registered mail, if not presented in person.

Sec. 335.19. Partial redemption.--Partial cash redemption of a note, corresponding to an authorized denomination, may be made in the same manner as full cash redemption, appropriate changes being made in the request for payment. In case of partial redemption of a note, the remainder will be reissued in the same name and with the same issue date as the note surrendered.

Sec. 335.20. Payment.--Payment of any note, either at maturity or on redemption before maturity, will be made by any Federal Reserve Bank or branch or the Treasurer of the United States, following clearance with the agency of issue, which will be obtained by the agency to which the note is surrendered. Payment will be made by check drawn to the order of the owner, and mailed to the address given in his request for payment, or by credit in any account maintained by a banking institution with the Federal Reserve Bank of its district.

SUBPART F: PAYMENT OR REISSUE TO OTHER THAN INSCRIBED OWNER

Sec. 335.21. Presentation and surrender.--A note may be paid or reissued in accordance with any of the provisions of this subpart only upon the presentation and surrender of the note at the risk and expense of the owner to the issuing agency, accompanied by an appropriate request for the particular transaction.

Sec. 335.22. Authorized transfers.--

(a) Between husband and wife.--A note inscribed in the name of a married man may be reissued in the name of his wife, and a note inscribed in the name of a married woman may be reissued in the name of her husband.

(b) Between affiliated corporations.--A note inscribed in the name of a parent corporation, which is hereby defined as a corporation owning more than 50 percent of the stock, with voting power, of another corporation, may be reissued in the name of a subsidiary, and a note registered in the name of a subsidiary may be reissued in the name of the parent corporation.

Sec. 335.23. Authorized pledge.--A note may be pledged as collateral for a loan from a banking institution, and if title thereto is acquired by the institution because of default in the payment of the loan, the notes will be redeemed at par and accrued interest to the interest accrual date next preceding the date of such acquisition, unless acquired on an interest accrual date, in which case redemption will be made at par and accrued interest to that date. Proof of the date of acquisition must be furnished, and payment must be requested by the pledgee under a power of attorney given by the pledgor in whose name the note is inscribed. The note will not be transferred to the pledgee.

Sec. 335.24. Payment to representatives of deceased or incompetent owners and payment or reissue to heirs or legatees of deceased owners.--In case of the death or disability of an individual owner, if the notes are not to be presented in payment of taxes, payment will be made to the duly constituted representative of his estate, or they may be paid or reissued to one or more of his heirs or legatees upon satisfactory proof of their right; but no reissue will be made in the names of two or more persons jointly or as coowners.

Sec. 335.25. Payment or reissue to successors of corporations, unincorporated associations, or partnerships.--If a corporation or unincorporated body in whose name notes are inscribed is dissolved, consolidated, merged or otherwise changes its organization, the notes may be paid to, or reissued in the name of, those persons or organizations lawfully entitled to the assets of such corporation or body by reason of such change in organization.

Sec. 335.26. Payment to representatives of bankrupt or insolvent owners.--If an owner of notes is declared bankrupt or insolvent, payment, but not reissue, will be

made to the duly qualified trustee, receiver, or similar representative if the notes are submitted with satisfactory proof of his appointment and qualification.

Sec. 335.27. Payment as a result of judicial proceedings.--Payment, but not reissue, will be made as a result of judicial proceedings in a court of competent jurisdiction, if the notes are submitted with proper proof of such proceedings and their finality.

Sec. 335.28. Instructions and information.--Before executing the request for payment or submitting the notes under the provisions of this subpart, instructions should be obtained from a Federal Reserve Bank or branch or from the Treasury Department, Division of Loans and Currency, Washington 25, D. C.

## SUBPART G: GENERAL PROVISIONS

Sec. 335.29. Regulations.--Except as provided in this circular, the notes issued hereunder will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing bonds and notes of the United States; the regulations currently in force are contained in Department Circular No. 300, as amended.

Sec. 335.30. Loss, theft, or destruction.--In case of the loss, theft, or destruction of a savings note immediate notice (which should include a full description of the note) should be given the agency which issued the note and instructions should be requested as to the procedure necessary to secure a duplicate.

Sec. 335.31. Fiscal agents.--Federal Reserve Banks and their branches, as fiscal agents of the United States, are authorized to perform such services or acts as may be appropriate and necessary under the provisions of this circular and under any instructions given by the Secretary of the Treasury, and they may issue interim receipts pending delivery of the definitive notes.

Sec. 335.32. Amendments.--The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this circular, or of any amendments or supplements thereto, and may at any time or from time to time prescribe amendatory rules and regulations governing the offering of the notes, information as to which will promptly be furnished to the Federal Reserve Banks.

G. M. Humphrey,
Secretary of the Treasury.

## Treasury savings notes--Series C

Table of tax-payment or redemption values and investment yields on notes issued from October 1, 1953 until further notice

The table below shows for each month from issue date to maturity date the amount of interest accrual; the principal amount with accrued interest added, for notes of each denomination; the approximate investment yield on the par value from issue date to the 15th of each month following the issue date; and the approximate investment yield on the current redemption value from the 15th of the month indicated to the maturity date.

| Par value | $100.00 | $500.00 | $1,000.00 | $5,000.00 | $10,000.00 | $100,000.00 | $500,000.00 | $1,000,000.00 | Approximate investment yield on par value from issue date to beginning of each monthly period thereafter | Approximate investment yield on current tax-payment or redemption values from beginning of each monthly period to maturity |
|---|---|---|---|---|---|---|---|---|---|---|
| Amount of interest accrual each month after issue month | Tax-payment or redemption values during each monthly period after issue month[1] | | | | | | | | | |
| | | | | | | | | | Percent | Percent |
| Interest accrues at rate of $1.30 per month per $1,000 par amount: | | | | | | | | | | [2] 2.21 |
| First month | $100.13 | $500.65 | $1,001.30 | $5,006.50 | $10,013.00 | $100,130.00 | $500,650.00 | $1,001,300.00 | 1.56 | 2.24 |
| Second month | 100.26 | 501.30 | 1,002.60 | 5,013.00 | 10,026.00 | 100,260.00 | 501,300.00 | 1,002,600.00 | 1.56 | 2.27 |
| Third month | 100.39 | 501.95 | 1,003.90 | 5,019.50 | 10,039.00 | 100,390.00 | 501,950.00 | 1,003,900.00 | 1.56 | 2.31 |
| Fourth month | 100.52 | 502.60 | 1,005.20 | 5,026.00 | 10,052.00 | 100,520.00 | 502,600.00 | 1,005,200.00 | 1.56 | 2.34 |
| Fifth month | 100.65 | 503.25 | 1,006.50 | 5,032.50 | 10,065.00 | 100,650.00 | 503,250.00 | 1,006,500.00 | 1.56 | 2.38 |
| Sixth month | 100.78 | 503.90 | 1,007.80 | 5,039.00 | 10,078.00 | 100,780.00 | 503,900.00 | 1,007,800.00 | 1.56 | 2.43 |
| Interest accrues at rate of $1.90 per month per $1,000 par amount: | | | | | | | | | | |
| Seventh month | 100.97 | 504.85 | 1,009.70 | 5,048.50 | 10,097.00 | 100,970.00 | 504,850.00 | 1,009,700.00 | 1.66 | 2.44 |
| Eighth month | 101.16 | 505.80 | 1,011.60 | 5,058.00 | 10,116.00 | 101,160.00 | 505,800.00 | 1,011,600.00 | 1.74 | 2.45 |
| Ninth month | 101.35 | 506.75 | 1,013.50 | 5,067.50 | 10,135.00 | 101,350.00 | 506,750.00 | 1,013,500.00 | 1.80 | 2.46 |
| Tenth month | 101.54 | 507.70 | 1,015.40 | 5,077.00 | 10,154.00 | 101,540.00 | 507,700.00 | 1,015,400.00 | 1.84 | 2.48 |
| Eleventh month | 101.73 | 508.65 | 1,017.30 | 5,086.50 | 10,173.00 | 101,730.00 | 508,650.00 | 1,017,300.00 | 1.88 | 2.50 |
| Twelfth month | 101.92 | 509.60 | 1,019.20 | 5,096.00 | 10,192.00 | 101,920.00 | 509,600.00 | 1,019,200.00 | 1.91 | 2.52 |
| Interest accrues at rate of $2.10 per month per $1,000 par amount: | | | | | | | | | | |
| Thirteenth month | 102.13 | 510.65 | 1,021.30 | 5,106.50 | 10,213.00 | 102,130.00 | 510,650.00 | 1,021,300.00 | 1.95 | 2.52 |
| Fourteenth month | 102.34 | 511.70 | 1,023.40 | 5,117.00 | 10,234.00 | 102,340.00 | 511,700.00 | 1,023,400.00 | 1.99 | 2.52 |
| Fifteenth month | 102.55 | 512.75 | 1,025.50 | 5,127.50 | 10,255.00 | 102,550.00 | 512,750.00 | 1,025,500.00 | 2.02 | 2.53 |
| Sixteenth month | 102.76 | 513.80 | 1,027.60 | 5,138.00 | 10,276.00 | 102,760.00 | 513,800.00 | 1,027,600.00 | 2.05 | 2.53 |
| Seventeenth month | 102.97 | 514.85 | 1,029.70 | 5,148.50 | 10,297.00 | 102,970.00 | 514,850.00 | 1,029,700.00 | 2.08 | 2.54 |
| Eighteenth month | 103.18 | 515.90 | 1,031.80 | 5,159.00 | 10,318.00 | 103,180.00 | 515,900.00 | 1,031,800.00 | 2.10 | 2.56 |
| Interest accrues at rate of $2.20 per month per $1,000 par amount: | | | | | | | | | | |
| Nineteenth month | 103.40 | 517.00 | 1,034.00 | 5,170.00 | 10,340.00 | 103,400.00 | 517,000.00 | 1,034,000.00 | 2.12 | 2.56 |
| Twentieth month | 103.62 | 518.10 | 1,036.20 | 5,181.00 | 10,362.00 | 103,620.00 | 518,100.00 | 1,036,200.00 | 2.15 | 2.55 |
| Twenty-first month | 103.84 | 519.20 | 1,038.40 | 5,192.00 | 10,384.00 | 103,840.00 | 519,200.00 | 1,038,400.00 | 2.16 | 2.55 |
| Twenty-second month | 104.06 | 520.30 | 1,040.60 | 5,203.00 | 10,406.00 | 104,060.00 | 520,300.00 | 1,040,600.00 | 2.18 | 2.55 |
| Twenty-third month | 104.28 | 521.40 | 1,042.80 | 5,214.00 | 10,428.00 | 104,280.00 | 521,400.00 | 1,042,800.00 | 2.20 | 2.55 |
| MATURITY | 104.50 | 522.50 | 1,045.00 | 5,225.00 | 10,450.00 | 104,500.00 | 522,500.00 | 1,045,000.00 | 2.21 | ........... |

NOTE.--The word "month" as used in this table means the period from and including the 15th day of any one calendar month to but not including the 15th day of the next succeeding month.

[1] Not acceptable in payment of taxes until after the second month from issue date, and not redeemable for cash until after the fourth month from issue date.

[2] Approximate investment yield for entire period from issue date to maturity.

## Exhibit 21.--Suspension of sale of Treasury savings notes of Series C (press release of October 23, 1953)

The Treasury today announced that sale of Series C Treasury savings notes is suspended as of 7:00 p.m., eastern standard time, Friday, October 23, 1953.

In answer to press queries regarding the suspension of the sale of Series C savings notes today, the Treasury said: The suspension is due to two related reasons. The first is that determining the amount of the Treasury financing to be decided next week would be difficult in view of the uncertainties of future daily sales of Treasury savings notes under present conditions. Second the savings note, being one of the "open windows," could create a problem in connection with the debt limit on the basis of present sales.

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## Exhibit 22.--Exchange of Series F and G savings bonds at maturity for other series of savings bonds (press release of December 11, 1953)

The Treasury today invited holders of the Series F and G savings bonds which will begin to mature in January to exchange them at maturity for other series of savings bonds.

Individual owners of the Series F and G bonds maturing beginning next month may make reinvestment in Series E and H bonds up to the $20,000 annual limits on each of these series. Not only individuals, but any other holders of these maturing bonds may reinvest in Series J and K bonds, which have a combined annual limitation of $200,000 issue price. These transactions will be handled at Federal Reserve Banks and branches and at the Office of the Treasurer of the United States in Washington. Holders of the maturing bonds may submit them, for either exchange or cash payment, direct or through their banks after having the request for payment certified, which can be done at any bank or post office.

In the case of Series G bonds, the final interest due on the maturity date will be paid with the principal. No interest will accrue on bonds of either Series F or G after maturity. In order to avoid loss of interest on their investment, holders should submit the bonds from twenty to thirty days in advance of their maturity dates, whether for cash redemption or for new bonds.

The Treasury is not offering at this time to holders of these maturing bonds any Treasury issue other than savings bonds.

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## Exhibit 23.--Withdrawal of United States savings bonds from sale at local post offices in communities where other savings bond agents provide adequate facilities (press release of December 29, 1953)

As a further step towards reducing costs of operation, the Treasury is withdrawing United States savings bonds from sale at local post offices in communities where other savings bonds agents such as banks, other financial institutions and business firms with payroll savings plans provide adequate facilities.

Savings bond sales by post offices will be continued in those communities where issuing agents such as banks or savings and loan associations are not locally available.

The new procedure was worked out in discussions between representatives of the Treasury and Post Office Departments.

Post offices will continue to sell United States savings stamps and also will continue to provide information as to where savings bonds may be purchased.

The Treasury paid tribute to the post offices of the country for pioneering in the inauguration and development of the savings bond program since 1935 when savings bonds could be bought only at post offices or by direct mail. In 1941 financial institutions and other organizations came in to serve as volunteer agents for bond sales. There are now more than 20,000 sales agencies other than post offices where bonds may be purchased by the public. Today these volunteer agencies account for more than 93 percent of the nearly $4½ billion worth of bonds Americans buy every year.

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## Exhibit 24.--Offset printing of $25 denomination Series E savings bonds (press release of February 13, 1954)

The Treasury Department announced today a permanent change-over to offset printing in the production of Series E savings bonds of the $25 denomination, at an estimated yearly saving in excess of $400,000.

Engraved printing of higher denomination E bonds and all Series H, J, and K bonds, as well as all marketable bonds, will be continued.

Application of the offset printing method to savings bonds production was tested at the Bureau of Engraving and Printing in January, and the results carefully analyzed. It was found that it would permit maximum production of about 480,000 bonds per press per 8-hour day, compared with about 28,000 for the engraving process. This program will require a reduction in plate printers and other employees, totaling about 40 persons.

The United States Secret Service concluded that no counterfeiting problem would be involved in adoption of the offset plan in view of the conditions under which savings bonds are issued and redeemed. Savings bonds are not transferable, and the Treasury records detailed information concerning each bond sold, such as the name and address of the buyer, serial number, date of issue, and name of the issuing agent. Holders of savings bonds must submit them to qualified paying agents for redemption. The holders are required to identify themselves to these agents.

In the unlikely event that counterfeit savings bonds are presented to a paying agent and escape detection and payment is made to the owners named on the bonds, the agent will not be held liable for the erroneous payments provided the regular, required payment procedure has been observed.

The Bureau will fill future vacancies in plate printer positions by reinstating, in the order of their seniority as apprentices, members of the Bureau's former apprentice training program before hiring plate printers from the outside. The training program was ended last July because engineering improvements in the Bureau made it unlikely that there would be work for the 70 apprentices participating in it. Other positions in the Bureau were offered to the 70 apprentices and all accepted. The policy of reinstating them as apprentice plate printers will apply to all former apprentices still in the Bureau's employ.

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## Exhibit 25.--First amendment, February 23, 1954, to Department Circular No. 653, Third Revision, authorizing issuance of Series E savings bonds to trustees of an employees' savings plan, and authorizing an additional denomination of $100,000 of Series E savings bonds.

TREASURY DEPARTMENT,
Washington, February 23, 1954.

Department Circular No. 653, Third Revision (31 CFR, 1952 Supp., 316), is amended, effective as of January 1, 1954, to revise Sections 316.6, 316.7, 316.10 (a), and 316.18 and to add Section 316.6a to read as follows:

Sec. 316.6 Registration--(a) Authorized forms.--Bonds of Series E may be registered only in the names of natural persons (that is, individuals), whether adults or minors, in their own right, as follows: (1) In the name of one person; (2) in the names of two (but not more than two) persons as coowners; and (3) in the name of one person payable on death to one (but not more than one) other designated person, except that the Treasurer of the United States may be designated as coowner or beneficiary, and except further that such bonds may be registered in the name and title of the trustee or trustees of an employees' savings plan as provided in section 316.6a. Sections 316.2 and 316.9 thereof are hereby amended to authorize the issuance of Series E bonds in the denomination of $100,000 (maturity value) at the issue price of $75,000. Full information regarding authorized forms of registration and rights thereunder will be found in the regulations currently in force governing United States savings bonds.

(b) Restrictions.--Only residents of the United States (which for the purposes of this section shall include the Commonwealth of Puerto Rico, the Territories, insular possessions, and the Canal Zone), citizens of the United States temporarily residing abroad, and nonresident aliens employed in the United States by the Federal Government or an agency thereof may be named as owners, coowners, or designated beneficiaries of bonds of Series E issued pursuant to this circular, or of authorized reissues thereof, except that such persons may name as coowners or beneficiaries of their bonds American citizens permanently residing abroad or nonresident aliens who are not residents of areas with respect to which the Treasury Department has restricted or regulated the delivery of checks drawn against funds of the United States, or any agency or instrumentality thereof.[1] American citizens permanently residing abroad and nonresident aliens who become entitled to bonds under the regulations governing United States savings bonds,[2] by right of survivorship or otherwise, will not have the right to reissue but may hold the bonds without change of registration with the right to redeem them at any time in accordance with their terms.

Sec. 316.6a Registration in name and title of the trustee or trustees of an employees' savings plan.

(a) Definition of plan and conditions of eligibility.--Bonds of Series E may be registered in the name and title of the trustee or trustees of an employees' savings plan or any similar trust for the accumulation of employees' savings established by the employer for the exclusive and irrevocable benefit of his employees or their beneficiaries which affords employees the means of making regular savings from their wages through payroll deductions, provides for employer contributions to be added to such savings, and provides in effect that:

[1] See Department Circular No. 655 as amended (31 CFR 211).

[2] See Department Circular No. 530, current revision.

(1) The entire assets thereof must be credited to the individual accounts of participating employees and assets credited to the account of an employee may be distributed only to him or his beneficiary, except as otherwise provided herein.

(2) Bonds of Series E may be purchased only with assets credited to the accounts of participating employees and only if the amount taken from any account at any time for that purpose is equal to the purchase price of a bond or bonds in an authorized denomination or denominations, and shares therein are credited to the accounts of the individuals from which the purchase price thereof was derived, in amounts corresponding with their shares. For example, if $37.50 credited to the account of John Jones is commingled with funds credited to the accounts of other employees to make a total of $7,500, with which a bond of Series E in the denomination of $10,000 (maturity value) is purchased in June 1954 and registered in the name and title of the trustee or trustees, the plan must provide, in effect, that John Jones' account shall be credited to show that he is the owner of a bond of Series E in the denomination of $50 (maturity value) bearing issue date of June 1, 1954.

(3) Each participating employee shall have an irrevocable right at any time to demand and receive from the trustee or trustees all assets credited to his account, or the value thereof, if he so prefers, without regard to any condition other than the loss or suspension of the privilege of participating further in the plan, except that a plan will not be deemed to be inconsistent herewith, if it limits or modifies the exercise of any such right by providing that the employer's contribution does not vest absolutely until the employee shall have made contributions under the plan in each of not more than sixty calendar months succeeding the month for which the employer's contribution is made: Provided, however, that in any such exceptional case the employee shall have the right to demand and receive cash in an amount equal to the redemption value of all bonds of Series E credited to his account (see (2)) less the amount of the employer's unvested contribution to the purchase price thereof.

(4) Upon the death of an employee, his beneficiary shall have the absolute and unconditional right to demand and receive from the trustee or trustees all assets credited to the account of the employee, or the value thereof, if he so prefers.

(5) When settlement is made with an employee or his beneficiary with respect to any bond of Series E registered in the name and title of the trustee or trustees in which the employee has a share (see (2) hereof), the bond must be submitted for redemption or reissue to the extent of such share; if an employee, or his beneficiary, elects to receive distribution in kind, bonds bearing the same issue dates as those credited to the employee's account will be reissued in the name of the distributee to the extent to which he is entitled, in authorized denominations, in any authorized form of registration, upon the request and certification of the trustee or trustees in accordance with the provisions of the regulations governing United States savings bonds.[3]

(b) Definitions of terms used in this section and related provisions.

(1) The term "savings plan" includes any regulations issued under the plan with regard to bonds of Series E; a copy of the plan and any such regulations, together with a copy of the trust agreement certified by a trustee to be true copies, must be submitted to the Federal Reserve Bank of the district in order to establish the eligibility of the trustee or trustees to purchase such bonds under this section.

(2) The term "assets" means all funds, including the employees' contributions and the employer's contributions and assets purchased therewith as well as accretions thereto, such as dividends on stock, the increment in value on bonds and all other income; but, notwithstanding any other provision of this section, the right to demand and receive "all assets" credited to the account of an employee shall not be construed to require the distribution of assets in kind when it would not be possible or practicable to make such distribution: for example, bonds of Series E may not be reissued in

[3]See Department Circular No. 530, current revision, Sec. 315.50 (a).

unauthorized denominations, and fractional shares of stock are not readily distributable in kind.

(3) The term "beneficiary" means the person or persons, if any, designated by the employee in accordance with the terms of the plan to receive the benefits of the trust upon his death or the estate of the employee, and the term "distributee" means the employee or his beneficiary.

Sec. 316.7. Limitations on holdings.

(a) General limitation.--The amount of bonds of Series E originally issued during the calendar year 1952 (and each calendar year thereafter) that may be held by any one person at any one time is $20,000 (maturity value), except as provided in subsection (b) of this section.

(b) Special limitation applicable to trustees of employees' savings plans.--The amount of bonds of Series E originally issued during each calendar year that may be held by the trustee or trustees of an employees' savings plan (as described in section 316.6a) is $2,000 (maturity value) multiplied by the highest number of employees participating in such plan at any time during the year in which the bonds are issued.

(c) Regulations.--For full information concerning the limitations on and methods of computing holdings, see the regulations currently in force governing United States savings bonds.

Sec. 316.10. Purchase of bonds. * * *

(a) Over-the-counter for cash: (1) For individuals (natural persons) only (i) at such incorporated banks, trust companies, and other agencies as have been duly qualified as issuing agents, and (ii) at selected United States post offices; and (2) for individuals (natural persons) or trustees of employees' savings plans (see section 316.6a) at Federal Reserve Banks and branches and at the Treasury Department, Washington 25, D. C.

* * * * *

Sec. 316.18. Payment or redemption (in general).--A bond of Series E may be redeemed at the option of the owner at any time after two months from the issue date at the appropriate redemption value as shown in the tables of redemption values at the end of this circular, table A for bonds (other than the $100,000 denomination) dated on and after May 1, 1952, table B for those dated May 1, 1941, through April 1, 1942, and table C for those dated May 1, 1942, through April 1, 1952.[4] The redemption values of bonds in the denomination of $100,000 (maturity value) dated on and after January 1, 1954, will be equal to the total redemption values of ten $10,000 bonds bearing the same issue dates (see table A).[5] A bond of Series E in a denomination higher than $25 (maturity value) may be redeemed in part but only in the amount of an authorized denomination or multiple thereof. Payment of a bond of Series E will be made upon presentation and surrender of the bond by the owner to authorized paying agencies as follows:

(1) Federal Reserve Banks and branches and Treasurer of the United States.--Owners of bonds of Series E may obtain payment upon presentation of the bonds to a Federal Reserve Bank or branch or to the Treasurer of the United States, Washington 25, D. C., with the requests for payment on the bonds duly executed and certified in accordance with the provisions of the regulations governing savings bonds.

(2) Incorporated banks, trust companies, and other financial institutions.--An individual (natural person) whose name is inscribed on the face of a bond of Series E either as owner or coowner in his own right may also present such bond (unless marked "DUPLICATE") to any incorporated bank or trust company or other financial institution which is qualified as a paying agent under the provisions of Department

[4]Tables A, B, and C not printed here, were published on pp. 280-282 of the 1952 annual report.

[5]Bonds of Series E in the denomination of $100,000 (maturity value) are available for purchase only by trustees of employees' savings plans.

Circular No. 750 or any revision of or amendment thereto. If such bond is in order for payment by the paying agent, the owner or coowner, upon establishing his identity to the satisfaction of the paying agent and upon signing the request for payment and adding his home or business address, may receive immediate payment of the current redemption value.

A. N. Overby,
Acting Secretary of the Treasury.

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## Exhibit 26.--Second amendment, February 23, 1954, to Department Circular No. 530, Seventh Revision, regulations governing United States savings bonds

TREASURY DEPARTMENT,
Washington, February 23, 1954.

To Owners of United States Savings Bonds, and Others Concerned:

Sections 315.3, 315.4 (a), 315.8 (a), 315.10, 315.32 (d), and 315.50 (a) of Department Circular No. 530, Seventh Revision, dated May 21, 1952 (31 CFR, 1952 Supp., 315), as amended, are hereby amended, effective as of January 1, 1954, to read as follows:

Sec. 315.3 Restrictions.--Only residents (whether individuals or others) of the United States (which for the purposes of this section shall include the Commonwealth of Puerto Rico, the Territories, insular possessions, and the Canal Zone), citizens of the United States temporarily residing abroad and nonresident aliens employed in the United States by the Federal Government or an agency thereof may be named as owners, coowners or designated beneficiaries of savings bonds, whether on original issue or authorized reissue, except that such persons may name as coowners or beneficiaries of their bonds citizens of the United States permanently residing abroad or nonresident aliens who are not residents of areas with respect to which the Treasury Department has restricted or regulated the delivery of checks drawn against funds of the United States or any agency or instrumentality thereof.[1] Citizens of the United States permanently residing abroad and nonresident aliens who become entitled to bonds under these regulations, by right of survivorship or otherwise, will not have the right to reissue but will have the right (1) to retain the bonds without change of registration, (2) to receive interest on current income bonds, and (3) to redeem any bonds in accordance with their terms.[2]

Sec. 315.4 Authorized forms of registration, Series E and H, and general provisions relating to their use.

(a) Forms of registration.--Except as provided in subparagraphs (4) and (5) hereof, bonds of Series E and H may be registered only in the names of individuals (natural persons), whether adults or minors, in their own right in one of the following forms:

(1) ONE PERSON: In the name of one person, for example:
"John A. Jones."

(2) TWO PERSONS--COOWNERSHIP FORM: In the names of two (but not more than two) persons in the alternative as coowners, for example:
"John A. Jones OR Mrs. Ella S. Jones."

No other form of registration establishing coownership is authorized.

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[1] See Department Circular No. 655, as amended (31 CFR 211).

[2] Payment of bonds to nationals of blocked countries will in all cases be subject to the terms of any law, executive order or regulations issued pursuant to such law or order.

(3) TWO PERSONS--BENEFICIARY FORM: In the name of one (but not more than one) person, payable on death to one (but not more than one) other person, for example:

"John A. Jones, payable on death to Miss Mary E. Jones."

"Payable on death to" may be abbreviated "p. o. d." The first person named is hereinafter referred to as the owner or registered owner, and the second person named as the beneficiary or designated beneficiary.

(4) TREASURER OF THE UNITED STATES AS COOWNER OR BENEFICIARY: In the name of the owner with the Treasurer of the United States as coowner or as beneficiary. A bond so registered may not be reissued to eliminate or change the coowner or the beneficiary, and upon the death of the owner will become the property of the United States.

(5) TRUSTEES OF AN EMPLOYEES' SAVINGS PLAN: In the name and title of the trustee or trustees of an employees' savings plan or any similar trust for the accumulation of employees' savings (see Sec. 316.6a of Department Circular No. 653, Third Revision, as amended), substantially in accordance with the provisions of Sec. 315.5 (b).

* * * * *

Sec. 315.8 Amount which may be held.--The limits on the amounts of savings bonds of Series E, F, G, H, J, and K issued during any one calendar year that may be held by any one person at any one time follow:

(a) Series E.--For individuals in their own right, $5,000 (maturity value) each year up to and including the year 1947, $10,000 (maturity value) for each year from 1948 to 1951, inclusive, and $20,000 (maturity value) for the year 1952 and each year thereafter; for trustees of an employees' savings plan (see sec. 315.4 (a) (5)), $2,000 (maturity value) multiplied by the highest number of employees participating in the plan at any time during the calendar year in which the bonds are issued.

* * * * *

Sec. 315.10 Disposition of excess.--If any person at any time acquires savings bonds issued during any one calendar year in excess of the prescribed amount, the excess must be surrendered for refund of the purchase price, less (in the case of current income bonds) any interest which may have been paid thereon, or for such adjustment as may be possible, except that for good cause found the Secretary of the Treasury may permit excess holdings to stand in any particular case or class of cases.

Sec. 315.32 General reissue provisions.--Reissue of a savings bond will be restricted to a form of registration permitted by the regulations in effect on the date of original issue of the bond and will be made only upon surrender of the bond and only in accordance with the provisions of those regulations. Reissue of a savings bond is authorized only as follows: * * *

(d) As otherwise specifically provided in these regulations; except that in any case (1) a request for reissue received after the maturity date of a bond will not be recognized or given any effect whatever, and (2) actual reissue will not be made if the request therefor is received less than one full calendar month before the maturity date of a bond, but a request for reissue so received will otherwise be treated as effective. The term "maturity date" as used herein, as applied to bonds of Series E, means the date on which the authorized extension period expires.[3]

Sec. 315.50 Reissue or payment to person entitled.

(a) Distribution of trust estate in kind.--A savings bond to which a beneficiary of a trust estate has become lawfully entitled in his own right or in a fiduciary capacity,

[3]Owners have the option of retaining bonds of Series E for a further period of not more than 10 years after maturity and earning interest upon the maturity values thereof.

in whole or in part, under the terms of the trust instrument, will be reissued in his name to the extent of his interest as a distribution in kind upon the request of the trustee or trustees and their certification that such person is entitled and has agreed to reissue in his name. The trustee or trustees of an employees' savings plan, when requesting reissue in the name of a distributee, may request reissue in beneficiary or coownership form, in accordance with instructions received from the distributee, and will be recognized as his representatives for that purpose.

A. N. Overby,
Acting Secretary of the Treasury.

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## Exhibit 27.--Third amendment, May 25, 1954, to Department Circular No. 530, Seventh Revision, regulations governing United States savings bonds.

TREASURY DEPARTMENT,
Washington, May 25, 1954.

To Owners of United States Savings Bonds, and Others Concerned:

Department Circular No. 530, Seventh Revision, dated May 21, 1952 (31 CFR, 1953 Supp., 315), as amended, is hereby amended to add sections 315.13a and 315.60a and to revise sections 315.21 (a) and 315.32 to read as follows:

Sec. 315.13a. Gift causa mortis.--Payment or reissue will be made to the donee of a gift causa mortis of a savings bond if the donor was not survived by a coowner or beneficiary and the gift is established to the satisfaction of the Secretary of the Treasury by judicial proceedings or otherwise.[1]

Sec. 315.21 (a). Method of interest payments.--The interest due before maturity on a current income bond will be paid on each interest payment date by check drawn to the order of the owner or coowners in whose names the bond is inscribed, in the same form as their names appear in the inscription on the bond, until the Bureau of the Public Debt, Division of Loans and Currency, 536 South Clark Street, Chicago 5, Illinois, receives notice of death, as hereinafter provided. Upon receipt of notice of the death of the owner of a bond in beneficiary form ("A, payable on death to B"), the payment of interest will be suspended until such time as the bond is presented for payment or reissue. Interest so withheld will be paid to the person found to be entitled to the bond. Checks issued in payment of interest on a bond registered in the names of coowners ("A or B") will be mailed to the address of record of the payee first named unless otherwise specifically directed or until receipt of notice of his death. Upon receipt of notice of the death of the coowner to whom interest is being mailed, the interest will be mailed to the other coowner, if living, or, if not, will be held subject to the claim of the representatives of or persons entitled to the estate of the last surviving coowner. The interest due at maturity will be paid with the principal and in the same manner, except that if the registered owner of a bond in beneficiary form dies on or after the due date without having presented and surrendered the bond for payment or authorized reissue, and is survived by the designated beneficiary, the interest will be paid to the legal representatives of or the persons entitled to the estate of the registered owner.

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[1]The above section is declaratory of the fact that within the conditions set forth therein the transfer of a savings bond by gift causa mortis is not prohibited by the savings bond regulations.

Sec. 315.32. General reissue provisions.--Consistent with other provisions of these regulations, a savings bond may be reissued in a form of registration authorized by the regulations in effect on the date of original issue or on the date of reissue. If reissue is requested under this section in a form of registration not authorized on the date of original issue, the issuance of the new bonds shall be subject to the limitation on holdings in effect on the date of reissue. Actual reissue will not be made if the request therefor is received on or after the maturity date of the bond or less than one full calendar month before that date, but a request for reissue so received will be treated as effective to establish ownership except as provided in subsection (d) of this section. The term "maturity date" as used herein as applied to bonds of Series E means the date on which the authorized extension period expires.[2] Reissue of a savings bond is authorized only upon surrender of the bond as follows: * * *

(d) As otherwise specifically provided in these regulations, except that a request for reissue of a bond to name a coowner or beneficiary or to promote a beneficiary to a coowner received after the maturity date of the bond will not be recognized or given any effect whatever.

Sec. 315.60a. Waiver of regulations.--The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of these regulations in any particular case or class of cases for the convenience of the United States or in order to relieve any person or persons of unnecessary hardship, if such action would not be inconsistent with law and would not impair any existing rights, and if he is satisfied that such action would not subject the United States to any substantial expense or liability.

A. N. Overby,
Acting Secretary of the Treasury.

[2] Owners have the option of retaining bonds of Series E for a further period of not more than ten years after maturity and earning interest upon the maturity values thereof.

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# OBLIGATIONS GUARANTEED BY THE UNITED STATES

## Exhibit 28.--Supplemental regulations governing Federal Housing Administration debentures

[Department Circular No. 941. Public Debt]

TREASURY DEPARTMENT,
Washington, April 1, 1954.

Sec. 337.0. Scope of regulations.--The United States Treasury Department is the agent of the Federal Housing Administration for transactions in any debentures which have been or may be issued pursuant to the authority conferred by the National Housing Act (48 Stat. 1246), as amended; 12 U.S.C. 1701 et seq.), as amended from time to time, including mutual mortgage insurance fund debentures, housing insurance fund debentures, war housing insurance fund debentures, military housing insurance fund debentures, and national defense housing insurance fund debentures. In accordance with the regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, such transactions are governed by the general regulations of the Treasury Department governing United States bonds and notes (31 CFR 306[1]) so far as applicable. The following rules and regulations are prescribed to supplement such general regulations.

[1] See also 31 CFR 307.

Sec. 337.1. Transportation charges and risks.--Debentures presented for redemption at call or maturity, or for authorized prior purchase, must be delivered to a Federal Reserve Bank or branch or to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., at the expense and risk of the holder. Debentures bearing restricted assignments may be forwarded by registered mail, but for the owner's protection debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid.

Sec. 337.2. Termination of transfers and denominational exchange transactions.--Debentures, which by their terms are subject to call, may be called for redemption, in whole or in part, at par and accrued interest, on any interest date on three months' notice. No transfers or denominational exchanges in debentures covered by a given call will be made on the books of the Treasury Department on or after the announcement of such call. However, this does not affect the right of a holder of such debenture to sell and assign it on or after the announcement of the call date.

Sec. 337.3. Presentation and surrender.--(a) For redemption.--To facilitate the redemption of called or maturing debentures, they may be presented and surrendered in the manner herein prescribed, in advance (but not more than one month in advance) of the call or maturity date, as the case may be. Early presentation by holders will insure prompt payment of principal and interest when due. The debentures must first be assigned by the registered payee or his assignee, or by his duly constituted representative, in the form and manner indicated in section 337.4 hereof, and should then be submitted to any Federal Reserve Bank or to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., accompanied by appropriate written advice. A form for this purpose will be printed on the reverse of the notice of call.

(b) For purchase.--Debentures, the purchase of which has been authorized prior to call or maturity, may be assigned and immediately submitted as instructed in (a) above, accompanied by written instructions.

Sec. 337.4. Assignments of matured or called debentures or debentures submitted for purchase.--(a) If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment be made to himself, the debentures should be assigned by such payee or assignee, or on his behalf by a duly constituted representative, to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase", according to whether the debentures are to be presented for redemption upon call, or at maturity, or for purchase prior to call if purchase is offered. If the owner desires for any reason that payment be made to another, without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or, purchase) for the account of ______________________", inserting the name and address of the person to whom payment is to be made.

(b) An assignment in blank or other assignment having similar effect will be recognized, but in that event the debenture would be, in effect, payable to bearer, and payment will be made in accordance with the instructions received from the person surrendering the debenture for redemption or purchase. For the owner's protection, such assignments should be avoided unless the owner is willing to lose the protection afforded by registration.

(c) Upon call or at maturity a debenture registered in the name of or assigned to a corporation or unincorporated association will be paid on or after the call or maturity date, upon appropriate assignment for that purpose executed on such organization's behalf by a duly authorized officer thereof. An assignment so executed and duly witnessed in accordance with Treasury Department general bond regulations will ordinarily be accepted without proof of the officer's authority. In such cases payment will be made only by check drawn to the order of the corporation or unincorporated association. If debentures registered in the name of or assigned to a corporation or unincorporated association are presented upon call or at maturity and payment is to be made to some other person, or are presented for purchase prior to the call date if authorized, proof of the authority of the officer assigning on behalf of such organization will be required in accordance with the general regulations.

(d) All assignments must be made on the debentures themselves unless otherwise authorized by the Treasury Department.

Sec. 337.5. Payment of final interest.--Final interest on any debenture, whether purchased prior to or redeemed on or after the call or the maturity date, will be paid with the principal in accordance with the assignments on the debentures surrendered. In all cases the check in payment of principal and final interest will be mailed to the address given in the Form of Advice accompanying the debentures surrendered.

Sec. 337.6. Address for further information.--Any further information which may be desired regarding the redemption of called or matured debentures, or purchase if authorized, may be obtained from any Federal Reserve Bank or branch or from the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C.

Sec. 337.7. General provisions.--As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory regulations governing the matters covered by this circular, which shall be communicated promptly to the registered owners of the debentures.

A. N. Overby,
Acting Secretary of the Treasury.

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## Exhibit 29.--Notices of call for partial redemption, before maturity, of 2-3/4 percent mutual mortgage insurance fund debentures, Series E (eleventh call)

[Federal Register, March 31, 1954]

To Holders of 2-3/4 Percent Mutual Mortgage Insurance Fund Debentures, Series E:

NOTICE OF CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2-3/4 PERCENT MUTUAL MORTGAGE INSURANCE FUND DEBENTURES, SERIES E

Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2-3/4 percent mutual mortgage insurance fund debentures, Series E, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1954, on which date interest on such debentures shall cease:

### 2-3/4 Percent Mutual Mortgage Insurance Fund Debentures, Series E

| Denomination | Serial numbers (All numbers inclusive) |
|---|---|
| $50 | 327 to 934 |
| $100 | 1,293 to 1,527 |
| | 2,101 to 2,495 |
| $500 | 383 to 606 |
| | 649 to 651 |
| $1,000 | 1,099 to 1,288 |
| | 2,150 to 2,440 |
| $5,000 | 493 to 678 |
| | 805 to 806 |
| $10,000 | 138 to 177 |

The debentures first issued as determined by the issue dates thereof were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after April 1, 1954. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1954, and provision will be made for the payment of final interest due on July 1, 1954, with the principal thereof to the actual owner, as shown by the assignments thereon.

The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1954, to June 30, 1954, inclusive, at par and accrued interest, to date of purchase.

Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1954, or for purchase prior to that date will be given by the Secretary of the Treasury.

Guy T. O. Hollyday,
Commissioner, Federal Housing Administration.

APPROVED: March 29, 1954
A. N. Overby,
Acting Secretary of the Treasury.

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April 2, 1954,

Reference is made to the notice of call mailed to you under date of March 29, 1954. If you desire to take advantage of the offer of the Commissioner of the Federal Housing Administration to purchase your debentures at par and accrued interest from April 1 to June 30, 1954, inclusive, you are advised that the rate of interest will be $0.075967 per $1,000 per day from January 1, 1954, to date of purchase. If you elect to send your debentures in for redemption on or after July 1, 1954, redemption will be at par with interest at the rate of $13.75 per $1,000 in full to that date.

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## Exhibit 30.--Summary of information contained in the notices of call for partial redemption, before maturity, of insurance fund debentures

During the fiscal year 1954 there were seven calls on March 29, 1954, for partial redemption, before maturity, of insurance fund debentures. The notice of call, and supplemental notice dated April 2, 1954, covering the eleventh call of Series E mutual mortgage insurance fund debentures are shown as exhibit 29. Since the notices covering the other called debentures are similar to exhibit 29, they have been omitted but the essential details are summarized in the following table.

Summary of information contained in the notices of call for partial redemption of insurance fund debentures during the fiscal year 1954

| | 2-3/4 percent mutual mortgage insurance fund debentures, Series E, eleventh call | 2-1/2 percent war housing insurance fund debentures | | 2-1/2 percent mutual mortgage insurance fund debentures, Series K, third call | 2-1/2 percent Title I housing insurance fund debentures, Series L, first call | 2-1/2 percent housing insurance fund debentures | |
|---|---|---|---|---|---|---|---|
| | | Series H, twelfth call | Series J, third call | | | Series M, first call | Series Q, first call |
| Notice of call | Mar. 29, 1954 | Mar. 29, 1954 | Mar. 29, 1954 | Mar. 29, 1954 | Mar. 29, 1954 | Mar. 29, 1954 | Mar. 29, 1954 |
| Supplemental notice | Apr. 2, 1954 | Apr. 2, 1954 | Apr. 2, 1954 | Apr. 2, 1954 | Apr. 2, 1954 | Apr. 2, 1954 | Apr. 2, 1954 |
| Redemption date | July 1, 1954 | July 1, 1954 | July 1, 1954 | July 1, 1954 | July 1, 1954 | July 1, 1954 | July 1, 1954 |
| Serial numbers called by denominations: | | | | | | | |
| $50 | 327-934 | 921-3004, 3526-3571 | ... | 4-30 | 1-3, 53 | 1-3 | 1-3 |
| $100 | 1293-1527, 2101-2495 | 2803-6605, 10928-11097 | 38-40 | 5-103 | 1-13 | 1-4 | 1 |
| $500 | 383-606, 649-651 | 986-1409, 1810-2810. | ... | 4-77 | 1-54 | 1 | 1-3 |
| $1,000 | 1099-1288, 2150-2440. | 4525-5389, 5397-5399, 5402-6054, 6339-8703 | 47-49 | 5-179 | 1-206 | 1-6 | 1-38 |
| $5,000 | 493-678, 805-806 | 1252-2439, 2580-2849 | ... | 5-28 | 1, 51 | 1-2 | 1-3 |
| $10,000 | 138-177 | 8502-22051 | ... | 1-27 | ... | 1-88 | 1-316 |
| Final date for transfers or denominational exchanges (but not for sale or assignment). | Apr. 1, 1954 | Apr. 1, 1954 | Apr. 1, 1954 | Apr. 1, 1954 | Apr. 1, 1954 | Apr. 1, 1954 | Apr. 1, 1954 |
| Redemption on call date, amount paid at par with interest in full at rate of. | $13.75 per $1,000... | $12.50 per $1,000... | $12.50 per $1,000... | $12.50 per $1,000... | $12.50 per $1,000... | $12.50 per $1,000... | $12.50 per $1,000... |
| Presentation for purchase prior to call date: | | | | | | | |
| Period | Apr. 1-June 30, 1954 | Apr. 1-June 30, 1954 | Apr. 1-June 30, 1954 | Apr. 1-June 30, 1954 | Apr. 1-June 30, 1954 | Apr. 1-June 30, 1954 | Apr. 1-June 30, 1954 |
| Amount paid at par and accrued interest at rate of. | $0.075967 per $1,000 per day from Jan.1, 1954, to date of purchase. | $0.069061 per $1,000 per day from Jan.1, 1954, to date of purchase. | $0.069061 per $1,000 per day from Jan.1, 1954, to date of purchase. | $0.069061 per $1,000 per day from Jan.1, 1954, to date of purchase. | $0.069061 per $1,000 per day from Jan.1, 1954, to date of purchase. | $0.069061 per $1,000 per day from Jan.1; 1954, to date of purchase. | $0.069061 per $1,000 per day from Jan.1, 1954, to date of purchase. |

# TAXATION DEVELOPMENTS

## Exhibit 31.--Extract from the Budget Message of the President, January 21, 1954, transmitting proposals for tax legislation

### Tax proposals

Our whole system of taxation needs revision and overhauling. It has grown haphazardly over many years. The tax system should be completely revised.

Revision of the tax system is needed to make tax burdens fairer for millions of individual taxpayers. It is needed to restore normal incentives for sustained production and economic growth. The country's economy has continued to grow during recent years with artificial support from recurring inflation. This is not a solid foundation for prosperity. We must restore conditions which will permit traditional American initiative and production genius to push on to ever higher standards of living and employment. Among these conditions, a fair tax system with minimum restraints on small and growing businesses is especially important.

I believe that this proposed tax revision is the next important step we should take in easing our tax burdens. After it is completed, further reductions in expenditures can be applied to our two objectives of balancing the budget and reducing tax rates.

A year ago I asked the Secretary of the Treasury to undertake a complete review of the tax system and make recommendations for changes. The Committee on Ways and Means of the House of Representatives had already started constructive examination of the tax laws with the same objectives. Extensive hearings were held by the committee during the late spring and summer.

The proposed revisions are the result of a year's intensive work. The collaboration between congressional and Treasury staffs in the development of a tax revision bill has been very close. It may, I hope, provide a precedent for similar collaboration in other fields of legislation.

I shall not list here all the detailed points developed for the revision of the tax laws. The following recommendations cover the major points.

They will substantially reduce the more glaring inequities, thereby helping vast numbers of our people in their individual tax burdens. They will reduce the more serious restraints on production and economic growth. They will promote investment, which provides new and better methods of production and creates additional payrolls and more jobs.

The revisions will also make the law simpler and surer, with benefits to both taxpayers and the Government. They will in many ways prevent abuses by which some taxpayers now avoid their rightful share of tax burdens by taking unfair advantage of technicalities.

1. Children earning over 600 dollars.--At present, parents cannot claim as a dependent any child who earns over 600 dollars a year. This discourages children in school or college from earning as much as they can to help in their support. I recommend that a parent should be permitted to continue to claim a child as a dependent regardless of the child's earnings if he is under 18 or away from home at school, as long as he is in fact still supported by the parent. Such dependents should, of course, continue to pay their own income tax on earnings above 600 dollars.

2. Heads of families.--At present, a widow or widower with dependent children is denied the full benefit of income-splitting available to married couples. It seems unfair to tax the income of a surviving parent with dependent children at higher rates than were applied to the family income before the death of one of the partners in a marriage. I recommend that widows and widowers with dependent children be allowed to split their income as is now done by married couples.

This same tax treatment should be authorized for single people supporting dependent parents. Furthermore, the present requirement that dependent parents must live with

their children for the children to qualify for this tax treatment should be removed. It is often best for elderly people to be able to live in their own homes, and the tax laws should not put a penalty on family arrangements of this sort.

3. Foster children as dependents.--At present, foster children and children in process of adoption may not be claimed as dependents. I recommend that such children be allowed as dependents.

4. Expenses of child care.--Some tax allowance can properly be given for actual costs of providing care for the small children of widows or widowers who have to work outside the home. The same tax privilege should be given to working mothers who, because their husbands are incapacitated, provide the principal support of their families.

5. Medical expenses.--The present tax allowances for unusual medical expenses are too limited to cover the many tragic emergencies which occur in too many families. I recommend that a tax allowance be given for medical expenses in excess of 3 percent of income instead of 5 percent as at present. I recommend further that the present ceiling of 1,250 dollars for a single person with a maximum ceiling of 5,000 dollars for a family should be doubled so that the maximum for a family will be 10,000 dollars. However, to avoid abuses in medical deductions, I recommend that the definition of medical expenses be tightened to exclude both ordinary household supplies and certain indirect travel expenses.

6. Medical insurance and sick benefits for employees.--Insurance and other plans adopted by employers to protect their employees against the risks of sickness should be encouraged by removing the present uncertainties in the tax law. It should be made clear that the employer's share of the costs of providing such protection on a group basis will not be treated as income on which the employee is liable for tax. This principle should be applied to medical and hospital insurance as well as to a full or partial continuation of earnings during a sickness.

There should be no tax discrimination between plans insured with an outside insurance company and those financed directly by the employer. At present, payments received by a person while sick are entirely nontaxable if made under an insured plan. This makes it possible for a person subject to high tax rates to have a much larger net income while on sick leave than while at work. To prevent abuses, I recommend that a limit of 100 dollars a week be placed on tax-free benefits, but this exemption should be extended only to plans meeting certain general standards.

7. Pension and profit-sharing plans for employees.--The conditions for qualification for special tax treatment of employers' pension plans are too involved. Such plans are desirable. I recommend that the rules be simplified and that greater discretion be given in establishing plans for different groups of employees, so long as there is no discrimination in favor of key executives or stockholders.

Under present law, the value of a future pension to a surviving widow or child of an employee is included in the husband's taxable estate, even though the survivors may not live to receive the full benefits and there may be no cash available to pay the tax. I recommend that such value should not be included in an estate but that the survivors continue to pay tax on the pension in the same manner that it was taxed to the person first receiving it.

At the same time, to avoid unfair competition with ordinary taxpaying businesses, I recommend that pension trusts be restricted in the same manner as tax-exempt foundations. They should also be subject to rules in regard to percentage distribution of their assets comparable to those applying to regulated investment companies.

8. Taxation of annuities.--Under the present tax law, a person buying an annuity is taxed on a relatively large part of each payment until his cost is fully recovered, at which time the full amount becomes taxable. The tax rule is so strict that often a person is not likely to get his capital back tax free unless he lives beyond his life expectancy. I recommend that the tax treatment of annuities be determined on the basis of the life expectancy of the person receiving it. This will permit the hundreds of thousands of people who buy annuities to recover their capital free of tax over their life expectancies and will avoid any change in the tax status of an annuity during a person's lifetime.

9. Double taxation of dividends.--At present, business income is taxed to both the corporation as it is earned and to the millions of stockholders as it is paid out in dividends. This double taxation is bad from two standpoints. It is unfair and it discourages investment. I recommend that a start be made in the removal of this double taxation by allowing stockholders a credit against their own income taxes as a partial offset for the corporate tax previously paid. This will promote investment which in turn means business expansion and more production and jobs.

Specifically, I recommend that the credit be allowed on an increasing scale over the next 3 years. For this year, I recommend that a credit of 5 percent be allowed; for 1955, a credit of 10 percent; and, in 1956 and later years, 15 percent. To avoid shifts in the payment dates of corporation dividends, these credits should apply to dividends received after July 31 of each year. To give the full benefit immediately to small stockholders, I recommend that the first 50 dollars of dividends be completely exempted from tax in 1954 and that the first 100 dollars be exempted in 1955 and later years.

10. Estimated returns.--The burden on those required to file estimated tax returns should be reduced by increasing the number of optional ways in which an individual can estimate his tax without being subject to penalty for an underestimate. I recommend also that the penalties resulting from underestimates be simplified by being stated as a 6 percent interest charge on deficiencies.

11. Filing date.--To reduce the burdens of preparing and filing returns in the early months of the year, I recommend that the March 15 filing date for individuals be changed to April 15.

In the taxation of business the same objectives of fairness, simplicity, and reduction of tax barriers to production and normal economic growth are important. The present tax law should be revised on the basis of these standards.

Particular attention should be given in the revision of the law to the problems of small and growing business concerns. I cannot emphasize too stongly the social and economic importance of an environment which will encourage the formation, growth, and continued independent existence of new companies.

12. Depreciation.--A liberalization of the tax treatment of depreciation would have far-reaching effects on all business and be especially helpful in the expansion of small business whether conducted as individual proprietorships, partnerships, or corporations. At present, buildings, equipment, and machinery are usually written off uniformaly over their estimated useful lives. The deductions allowed, especially in the early years, are often below the actual depreciation. This discourages long-range investment on which the risks cannot be clearly foreseen. It discourages the early replacement of old equipment with new and improved equipment. And it makes it more difficult to secure financing for capital investment, particularly for small business organizations.

I recommend that the tax treatment of depreciation be substantially changed to reduce these restrictions on new investment, which provides a basis for economic growth, increased production, and improved standards of living. It will help the manufacturer in buying new machinery and the storekeeper in expanding and modernizing his establishment. It will help the farmer get new equipment. All of this means many more jobs.

Specifically, I recommend that business be allowed more freedom in using straight-line depreciation and in selecting other methods of depreciation. Larger depreciation charges should be allowed in the early years of life of property by the use of the declining-balance method of depreciation at rates double those permitted under the straight-line method. Other methods which give larger depreciation in early years should be accepted, so long as they do not produce deductions which exceed those available under the declining-balance method.

The new methods of depreciation should be allowed for all investments in buildings, equipment, and machinery made after January 1, 1954. This would include farm buildings and equipment and new construction of commercial and industrial buildings and rental housing.

Faster depreciation, it should be noted, will merely shift the tax deductions from later to earlier years. It will not increase total deductions. The change should, in

fact, increase Government revenues over the years because of the stimulation which it will give to enterprise and expansion.

In addition to the tax treatment of depreciation, which is important for all business, there are other features of the tax law which are of special importance to small business.

13. Research and development expenses.--At present, companies are often not permitted to deduct currently for research or development expenses. This rule is especially burdensome to small concerns because large companies with established research laboratories can usually get immediate deductions. I recommend that all companies be given an option to capitalize or to write off currently their expenses arising from research and development work. Our tradition of initiative and rapid technical improvements must not be hampered by adverse tax rules.

14. Accumulation of earnings.--At present, the penalty tax on excessive accumulations of corporate earnings operates to discourage the growth of small companies which are peculiarly dependent on retained earnings for expansion. The tax in some form is necessary to prevent avoidance of individual taxes by stockholders, but I recommend that the law be changed to make the Government assume the burden of proof that a retention of earnings is unreasonable.

15. Taxation of partnerships.--The tax law applicable to partnerships is complex and uncertain. I recommend that it be simplified and made definite. It should be possible to form partnerships and make changes in them without undue tax complications.

16. Optional tax treatment for certain corporations and partnerships.--Small businesses should be able to operate under whatever form of organization is desirable for their particular circumstances, without incurring unnecessary tax penalties. To secure this result, I recommend that corporations with a small number of active stockholders be given the option to be taxed as partnerships and that certain partnerships be given the option to be taxed as corporations.

17. Corporate reorganizations.--The tax law applicable to reorganizations and recapitalizations of corporations is also complex and uncertain. This part of the law should be simplified and made sufficiently definite to permit people to know in advance the tax consequences of their actions.

The owners of small corporations frequently find it necessary to rearrange their interests in a corporation in anticipation of estate taxes, to secure new capital, or to make stock available for a new management group. I recommend that the tax law permit tax-free rearrangements of stockholders' interests in corporations, so long as no corporate earnings are withdrawn. Such changes will remove some of the tax pressures which force the sale of independent companies to larger corporations. At the same time, the law should be tightened to prevent abuses by which corporate earnings are withdrawn through the issuance and redemption of corporate securities. It should also be amended to avoid abuses through the purchase of corporations to acquire their rights to loss carryovers.

18. Loss carryback.--At present, losses may be carried back and offset against prior earnings for 1 year and carried forward to be offset against future earnings for 5 years. I recommend that the carryback be extended to 2 years. This will benefit established companies which become distressed. The 5-year carryforward should be continued to permit new businesses to offset their early losses against later profits.

19. Soil conservation expenses.--At present, only limited and uncertain tax deductions are allowed for soil conservation expenses on farms. I recommend that such deductions be allowed up to 25 percent of the farmer's gross income.

20. Accounting definitions.--Tax accounting should be brought more nearly in line with accepted business accounting by allowing prepaid income to be taxed as it is earned rather than as it is received, and by allowing reserves to be established for known future expenses.

21. Multiple surtax exemptions, consolidated returns, and intercorporate dividends.--I recommend that the law be tightened to remove abuses from the use of multiple corporations in a single enterprise. I also recommend that the penalty tax on consolidated returns and intercorporate dividends be removed over a 3-year period.

22. Business income from foreign sources.--I recommend that the taxation of income from foreign business investments be modified in several respects. The investment climate and business environment abroad are much more important than our own tax laws in influencing the international flow of capital and business. Nonetheless, our capital and management know-how can be helpful in furthering economic development in other countries, and is desired by many of them. Our tax laws should contain no penalties against United States investment abroad, and within reasonable limits should encourage private investment which should supplant Government economic aid.

Specifically, I recommend the following new provisions in our taxation of business income from foreign sources:

(a) Business income from foreign subsidiaries or from segregated foreign branches which operate and elect to be taxed as subsidiaries should be taxed at a rate 14 percentage points lower than the regular corporate rate. This lower rate of tax should apply only to earnings after January 1, 1954.

(b) The present definition of foreign taxes which may be credited against the United States income tax should be broadened to include any tax other than an income tax which is the principal form of taxation on business in a country, except turnover, general sales or excise taxes, and social security taxes. This country, by its tax laws, should not bring indirect pressure on other countries to adapt their tax systems and rates to ours.

(c) The overall limitation on foreign tax credits should be removed. This limitation discourages companies operating profitably in one foreign country from starting business in another foreign country where operations at a loss may be expected in the first few years.

(d) Regulated investment companies concentrating on foreign investments should be permitted to pass on to their stockholders the credit for foreign taxes which would be available on direct individual investments.

23. Payment dates of corporation income tax.--Over the past several years, corporation income tax payments have been gradually shifted forward into the first two of the regular quarterly dates. By 1955, the entire tax will be due in two equal installments in March and June.

The irregularity of tax receipts increases the problems in managing the public debt and is an unsettling influence in the money markets. The irregularity of tax payments also may make it harder for corporations to manage their own financing.

I recommend that, beginning in the fall of 1955, a start be made in smoothing out corporation income tax payments by requiring advance payments in September and December before the end of the taxable year. Each of these payments should be made at 5 percent of the amount due for the entire year in 1955, rising to 25 percent each in 1959 and later years.

These advance payments will require estimates of income for the year somewhat comparable to those now required of individuals. Though estimates of profits are difficult to make accurately, no payments will be required before the middle of the ninth month of a business year.

24. Administrative provisions.--The administrative features of the tax laws are unnecessarily complex. Different provisions have been adopted over the years to deal with particular problems, with little regard to consistency. Specifically, I recommend that the parts of the law covering assessments, collections, interest and penalties, the statute of limitations, and other administrative provisions be simplified and brought together in one place. This will result in savings to both taxpayers and the Government.

An effective and fair administration of the tax laws is vital to every individual in the country. The Internal Revenue Service has been revitalized during the past year and is being organized and managed on a basis that will assure fair and equal treatment to all taxpayers, maximum realization of taxes from revenue laws, and the contribution by each taxpayer of the share of the cost of Government that Congress intends that he should make.

The regulations and administration of the tax laws are being tightened to prevent abuses by which a small minority of taxpayers avoid their fair share of taxes by misuse of expense accounts and other improper practices.

25. General simplification of tax laws and other revisions.--The revision of the tax laws should be comprehensive. Many unnecessary complications have developed over the years. The entire Internal Revenue Code needs rewriting and reorganization.

Jointly, the Treasury Department and the staff of the congressional committees have developed many recommendations for changes other than those which I have described here. Some of these relate to the estate and gift tax, and the administrative provisions of the excise taxes.

The review of the present tax system in the Treasury Department has not yet led to final conclusions in many other situations that require further study before any recommendations for change can be properly made. These subjects include the tax treatment of capital gains and losses, the special problems of the oil and mining industries, the tax treatment of cooperatives and organizations which are wholly or partially tax exempt, as well as the provision of retirement income for people not covered by pension plans.

The tax reforms and revisions covered by the foregoing 25 recommendations make the income tax system fairer to individuals and less burdensome on production and continued economic growth, After their adoption, further reductions in Government expenditures will make possible additional reductions in the deficit and tax rates.

I do not believe that the budgetary situation justifies any tax reductions beyond those involved in the proposed tax revision and in the tax changes which occurred on January 1. Accordingly, I repeat my recommendation of last May that the reduction in the general corporate income tax rate be deferred for another year.

Excise taxes provide a relatively small proportion of our total tax revenues. In the fiscal year 1955, they are estimated to produce 10 billion dollars at existing rates as compared with 20 billion dollars from corporation income taxation and 30 billion dollars from individual income taxes. Of this 10 billion dollars, more than half comes from the excise taxes on liquor, tobacco, and gasoline.

Because of the present need for revenue, I recommend that the excise taxes scheduled to be reduced on April 1, including those on liquor, tobacco, automobiles, and gasoline, be continued at present rates; and that any adjustments in the other excise taxes be such as to maintain the total yield which we are now receiving from this source.

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## Exhibit 32.--Statement by Secretary of the Treasury Humphrey before the Joint Committee on the Economic Report, February 2, 1954

I am pleased to have the opportunity to appear before your committee this morning to discuss the 1954 Economic Report of the President which was submitted to the Congress last week.

I subscribe to the conclusion of the report to the effect that this Nation can make the transition to a period of less costly military preparedness without serious interruption in our economic growth. As the President says in the letter of transmittal, there is much that justifies confidence in the future.

Changes which this administration has put into effect, as well as others which have been recommended in the tax structure, contribute greatly to our confidence in the future.

As you gentlemen well know, this administration in the past twelve months has cut more than $12 billion in anticipated Government spending. This reduction in proposed spending made possible the tax cuts on January 1. These cuts now are leaving with the taxpayers over $5 billion a year which formerly was spent by the Government. We are cutting taxes, even though we have not arrived at a budget balance. There is a very good reason for this. We must always anticipate the reduction of Government expenditures and begin to transfer billions of dollars which the Government will not be spending back to the taxpayers so that there will not be any sudden dislocation resulting from the lack of those dollars being available to be put into the Nation's spending stream. In that way we help to maintain stability.

It is important to notice that we expect to almost reach a cash balance this year, and a small cash surplus in fiscal 1955. We are thus eliminating the necessity for cash deficit financing from the public which is inflationary particularly in times of high levels of activity. At the same time we are moving closer each year to an administrative budget balance, which is a goal we are determined to reach.

In addition to the $5 billion tax cuts of January 1, we are recommending a general revision of the tax system. It will do two principal things:

(1) It will make the tax burden fairer for millions of individuals by removing the more serious tax inequities and complications.

(2) It will stimulate production and create bigger payrolls and more and better jobs by reducing restraints and by encouraging initiative and investment.

Millions of Americans will benefit from better tax treatment for working children, child care expenses, for doctors' bills, for annuities, and from easier procedures in filing returns.

And these same millions will benefit even more from such revisions as liberalization of the tax treatment of depreciation and partial relief from double taxation of dividends. Everyone will benefit because the economy will benefit with the resulting creation of more jobs with better tools and machinery to produce higher payrolls and cheaper, better things for public consumption.

The tax revision program, by helping the economy to grow and expand, will benefit every citizen with steadier employment and higher standards of living.

In this connection the proposal for some relief from the double taxation of dividends may not be well understood. Under present law, earnings of a corporation are taxed twice, once as corporation income and again as individual income when they are paid out in dividends to the millions of shareholders in American industry. This has restricted the market for shares of stock in companies which want to expand and has forced them to borrow money instead of selling shares in their future. In the past ten years better than 75 percent of private-industry financing has been done by going in debt instead of selling shares. What does this mean? It means simply that we have enterprise heavily in debt so that it doesn't develop as well or as quickly as it would without heavy debts hanging over it. Should business turn down, a company in heavy debt is, of course, easily drawn into trouble.

Better prospects for enabling companies to get shareholder financing instead of going into debt--this means better prospects for all Americans who work, for increasingly better jobs come more surely out of companies that are moving forward and expanding.

There has also been some misunderstanding about what we are proposing in depreciation. Depreciation is really the wrong word. Buildings and machinery not only wear out but they become old fashioned and neither the workman using them nor the business owning them can do as well either in earning wages or in decreasing costs as more modern, up-to-date equipment would make possible. Depreciation is simply the method by which the original cost of a building or piece of machinery is recovered over the years during which it is being used up and worn out. At the moment these deductions must usually be spread out evenly over the years for tax purposes. But if the cost of a piece of machinery has not been written off by the time it should be replaced with the better machinery, there is less inclination to buy a new piece of machinery that will do the job better and cheaper than keeping the old machinery still in use. Our proposal to let more depreciation be taken in early years does not increase the total that may be taken as tax deduction by one cent. It simply recognizes the facts and allows more of the deduction in earlier years. Doing so helps our economy to stay modern and up-to-date, and so to grow and expand faster. And again repeating the obvious, out of this growing economy come more and better jobs. It also is very helpful to the small and growing concern in arranging its finances for new purchases of additional or more modern equipment and so aids small business to forge ahead.

Nothing can so add to our national strength and preparedness as modernization of the whole industrial plant in American and nothing will make more sure more jobs at which millions of people can earn high wages by producing more and better goods at less cost.

These revisions, as they help our economy expand and reduce the taxes required will also result in more personal income to be spent by taxpayers for their own account and in their own way and so will provide more money for the purchase of those better goods and services.

Additional tax cuts for all the taxpayers will of course benefit them. But until more reductions in Government expenditures are in sight, further cuts in taxes will only add to the deficit. However as rapidly as reduced expenditures can be seen, further tax reductions will promptly be made. In the meanwhile, putting first things first, we must make sure we are doing the things that by restoring initiative will keep our economy expanding. More tax cuts from the pay check will be of little value if there is no job to make the pay check in the first place.

As long as Americans know there is adequate change for gain they will save and invest. They will try new things that will bring forward new business, growing business, more jobs, better jobs, and higher and better standards of living.

In the past decade the growth of American industry was stimulated by debt and war and inflation. With these unwanted pressures fading, we need to again make initiative and enterprise more compelling if our economy is to continue to grow.

That growth stimulated by tax relief and reduction to almost every taxpayer in the Nation is the basic purpose of our tax program.

We believe that this tax program will help to build a firm foundation for the future health of our economy and that we can look to the future with great confidence.

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## Exhibit 33.--Address telecast and broadcast by the President, March 15, 1954, on the tax program

I would like to talk with you tonight about something that concerns each of us personally and directly, especially on March 15th. I want to talk about our taxes and about the new tax program that the Congress will debate this week.

We recognize, of course, that taxes are necessary. We know that through taxes our Government gets the money to carry on its necessary functions. The most costly is defense.

Only at our peril may we pursue a penny-wise, pound-foolish policy in regard to the Nation's security. In the past year, we have been able to make real savings in defense costs. But despite these savings, seventy cents out of each dollar spent by your Government still go for defense purposes.

The remaining thirty cents go for many things: To meet our obligations to veterans, to carry on important activities overseas, to pay the interest on the gigantic public debt, and to do within our country what Abraham Lincoln described as "those things which the individual cannot do at all or so well do for himself."

I know how burdensome your taxes have been and continue to be. We are watching every expenditure of Government: to eliminate waste, duplication, and luxury. But while we are insisting upon good management and thrift in Government, we have, at the same time, asked the Congress to approve a great program to build a stronger America for all our people.

Thus:

We want to improve and expand our social security program.

We want a broader and stronger system of unemployment insurance.

We want more and better homes for our people.

We want to do away with slums in our cities.

We want to foster a much improved health program.

We want a better and a lasting farm program, with better reclamation and conservation.

We want an improved Taft-Hartley Act to protect workers and employers.

We want wider markets overseas for our products.

We want, above all, maximum protection of freedom and a strong and growing economy--an economy free from both inflation and depression.

Most of these things cost money. Without adequate revenue, most of them would be abandoned or curtailed. That is why our tax proposal is the cornerstone of our whole effort. It is a tax plan designed to be fair to all. I am sure you join me in the hope that the Congress, before it adjourns, will approve this entire program.

Along with this great plan for America, we want also to reduce your taxes so you can save or spend more of your own money, as you personally desire.

Now, to reduce taxes, we had to find some way of saving money, for despite many years of heavy taxation, our Government has been running deeper and deeper into debt. A year ago, this administration inherited a budget calling for a spending program that we have since reduced by twelve billion dollars. Of this total saving, seven billion dollars is being made this year.

Now, seven billion dollars is so much money, even in Washington, that it's hard to know what it really means. Let's see if we can get some idea of how much it is.

The money American farmers got last year for all the corn and all the wheat grown in our entire country was seven billion dollars.

The money Americans paid in all of last year for household utilities and for fuel amounted to seven billion dollars.

The money Americans pay each year for doctor, dentist, medical and hospital bills is seven billion dollars.

I think you will agree that we have, indeed, saved a lot of money. Without these savings, there could have been no tax relief for anyone. Because of these savings, your tax cuts were possible.

On January 1st this year your taxes were cut by five billion dollars. The tax revision program now in Congress will cut taxes by over one and a half billion dollars more. The total may be nearly seven billion dollars. Thus the Government is turning back to you about all that we expect to save this year. Meanwhile, we are seeing to it that the Government deficit, instead of growing, may continue to shrink.

Now, in the light of all this, let's look at the tax program now in Congress.

To start with, it is the first time in half a century that our tax laws have been completely overhauled. This long overdue reform of old tax laws brings you benefits which go beyond the tax reductions I have just mentioned. Millions of individual taxpayers, many of you listening, will benefit. Here are some examples:

You will have larger deductions for your medical expenses.

There will be special deductions for the cost of child care for those among you who are widows who work.

Fairer tax treatment for the widows of policemen and firemen and others who have fraternal or private pension plans.

Fairer tax consideration for those of you who are retired.

Deductions of up to $100 a week for those of you receiving sickness or accident benefits.

There are, in addition, important provisions to encourage the growth and expansion of industry, the creation of jobs, and the starting of new and small businesses.

One of these provisions is of particular interest to those among you who have made or want to make investments to help meet the expenses of a growing family or of old age. We propose to reduce double taxation by exempting this year the first $50 and deducting 5 percent of the balance of dividend income, and double those amounts thereafter.

This will be important to all of us, whether our savings are large or small. It will encourage Americans to invest in their country's future. And let us remember this: The average investment needed to buy the tools and facilities to give one of our people a job runs about eight to ten thousand dollars. The more we can encourage savings and investments, the more prosperous will be 160 million American citizens.

Just as we need more spending by consumers, so we need buyers for items produced by heavy industry: for lathes and looms and giant generators. The making of these things gives jobs to millions of our people. This carefully balanced tax program will

encourage this kind of production. It will make new jobs, larger payrolls, and improved products. It will give us lower price tags on many of the things we want and need.

And here is another important part of this program. It concerns the income tax on corporations. Under the law, this tax would be reduced two weeks from today. I have asked the Congress to keep this tax at 52 percent and not to permit it to go down to 47 percent at this time The extension of this extra tax on corporations will provide enough money to pay the costs of the benefits this tax revision program will bring to individuals and business.

So, there you have, in broad outline, the new tax revision program. I most earnestly hope that the Congress will pass it.

But this is an election year. Some think it is good politics to promise more and more Government spending, and at the same time, more and more tax cuts for all. We know, from bitter experience, what such a policy would finally lead to. It would make our dollars buy less. It would raise the price of rent, of clothing, and of groceries. It would pass on still larger debts to our children.

Some have suggested raising personal income tax exemptions from $600 to $800, and soon to $1,000, even though the Federal budget is not in balance. You've seen this kind of deal before. It looks good on the surface but it looks a lot different when you dig into it.

The $1,000 exemption would excuse one taxpayer in every three from all Federal income taxes. The share of that one-third would have to be paid by the other two-thirds.

I think this is wrong. I am for everybody paying his fair share.

When the time comes to cut income taxes still more, let's cut them. But I do not believe that the way to do it is to excuse millions of Americans from paying any income tax at all.

The good American doesn't ask for favored position or treatment. Naturally he wants all fellow citizens to pay their fair share of the taxes, and he wants every cent collected to be spent wisely and economically. But every real American is proud to carry his share of the burden. In war and peace, I have seen countless examples of American pride and of the unassuming but inspiring courage of young American citizens. I simply don't believe for one second that anyone privileged to live in this country wants someone else to pay his own fair and just share of the cost of his Government.

Aside from that, let's just be practical. The loss of revenue involved in this proposal would be a serious blow to your Government.

A $100 increase in the exemption would cost the Government two and a half billion dollars. To increase the personal exemption to one thousand dollars would cost eight billion dollars. This, of course, would be on top of the large tax cuts our savings have already made possible this year.

I must and will oppose such an unsound tax proposal. I most earnestly hope that it will be rejected by the Congress. I hope you feel the same.

Every dollar spent by the Government must be paid for either by taxes or by more borrowing with greater debt. To make large additional savings in the cost of Government at this moment means seriously weakening our national defense. I do not know any friend of the United States who wants that, under present world conditions. The only other way to make more tax cuts now is to have bigger and bigger deficits and to borrow more and more money. Either we or our children will have to bear the burden of this debt. This is one kind of chicken that always comes home to roost. An unwise tax cutter, my fellow citizens, is no real friend of the taxpayer.

Now, this evening I mustn't overlook those among us who are professionally fainthearted. They have been arguing lately that we are on the very brink of economic disaster. Viewing with gloom is only to be expected in the spring of an election year. The truth is, we do not have a depression. And what's more, as I have said time and time again, your Government will continue to use its full powers to make sure that we don't have one.

A month ago, I expressed to the Congress my belief that we would be able to go from wartime to peacetime conditions without serious economic trouble. Nothing has happened since to change my mind.

Some unemployment has developed in different parts of the country, but the Nation as a whole continues to be prosperous. Unemployment has reached about the level it was in the spring of 1950. The broad program I have proposed to the Congress will strengthen our economy. When it is approved by Congress, it will both increase the number of jobs and make every man secure in the job that he has.

Of course, everyone wants tax reductions of the right kind, at the right time. That specifically includes this administration. This has been proved by the large tax cuts we have already made possible this year. But economic conditions do not call for an emergency program that would justify larger Federal deficits and further inflation through large additional tax reductions at this time.

My friends, a century and a half ago, George Washington gave us some good advice. He said we should keep a good national defense. He also said we should not ungenerously impose upon our children the burden which we ourselves ought to bear.

I know you and I agree with him on these points.

We agree, too, on efficiency in Government, and a forward-looking program for a stronger America--an America whose people know good health and prosperity--and who are secure, day and night, from fear at home or abroad. That is the aim of this tax program.

That goal, my fellow citizens, is a goal worthy of our people.

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## Exhibit 34.--Letter of Secretary of the Treasury Humphrey, March 17, 1954, to Speaker of the House of Representatives, Joseph W. Martin, Jr., urging enactment of the tax revision bill

My dear Speaker Martin: The House of Representatives is now debating the tax revision bill granting relief to millions of taxpayers as well as the extending of the 52 percent rate on corporations. I want to reemphasize some of my thoughts as to the vital importance of this bill. I feel as strongly as I can that it is in the long-run interests of the American people that this bill be enacted substantially in its present form.

This program has been developed by the House Ways and Means Committee, under Chairman Daniel A. Reed, working with the administration after months of study, hearings, and careful analysis.

There is a substantial amount of misinformation circulating about one proposal in the revision bill. This is the proposal to reduce by a modest amount or percentage the existing double taxation on dividend income.

This is not something new. Both major political parties have for almost twenty years recognized the unfairness of double taxation of dividends.

1. President Roosevelt recognized the inequity of double taxation of dividends in his tax message of March 1936.

2. The House Committee on Postwar Policy and Planning recommended consideration of the elimination of double taxation in its reports of both 1944 and 1946. This committee, under Democratic chairmanship and composed of 10 Democrats, including Congressman Cooper, the ranking Democrat on the present committee, and 8 Republicans, said that "consideration should be given to the elimination of the present double taxation of dividend income" and that this tax reform "would not only correct an inequity in the present tax structure but also provide an important stimulus to risk capital."

3. The Committee for Economic Development, in its November 1947 tax report, described double taxation of dividends as "gross inequity," and pointed out that its existence encourages business financing by borrowing rather than the issue of securities, which "increases the vulnerability of the economy to serious deflation and unemployment."

4. The minority report of the House Ways and Means Committee in 1948, a minority which then included many of the present Democratic members of the Ways and Means Committee, supported relief from double taxation of dividends. Their report suggested

a comprehensive revision of the entire Federal tax system and listed "such important matters as the double taxation of dividends" as among "needed amendments."

5. Organizations ranging from the American Farm Bureau Federation to the Investors League and the American Retail Federation have opposed double taxation of dividends in hearings before the Congress from 1947 to the present.

As President Eisenhower told the Nation Monday night, the relief provisions for double taxation of dividends "will be important to all of us, whether our savings are large or small."

There are 6-1/2 million stockholders among the 47 million people now on the Federal income tax rolls, so the number of taxpayers who will benefit from the removal of this inequity is large, both in numbers and in percentage. But the most important thing is what encouraging incentive to invest means to the future of our economy. Somebody has to provide between eight and ten thousand dollars to provide the tools and facilities to give one American a job. As tax inequities discourage people from investing their savings, there is just that much less money to provide those tools and facilities. Investments make jobs. It keeps millions of workers now engaged in heavy industry at work at their present jobs and it creates new jobs with the tools which heavy industry makes. To encourage investment is in the best interests of all Americans and not a selfish short-sighted advantage to a few.

This well balanced tax program is the cornerstone of the entire program of this administration as proposed by President Eisenhower in his State of the Union and other messages. It is designed to make America more secure, both from without and from within, and a better, safer, more really prosperous country for us all to live in.

I am sure that every Congressman in voting on this vital bill will be guided by his highest sense of the national interest.

Sincerely,

G. M. HUMPHREY,
Secretary of the Treasury.

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## Exhibit 35.--Statement by Secretary of the Treasury Humphrey before the Senate Finance Committee, April 7, 1954, on the tax revision bill (H. R. 8300)

The Treasury appreciates the opportunity to tell in open session here today why we think the tax revision bill now before your committee is so tremendously important to the future of this country. Before I go into details of the revision bill and the reasons why it should be enacted, I would like to look for just a minute with you at the hodgepodge which is our present tax system and how it got to be that way.

Our tax laws were last completely rewritten in 1874. It is obvious that some of the tax laws of 80 years ago, when the total Federal tax take was $266 million, might very well not be proper tax laws in 1954, when the tax take is upwards of $60 billion. And it is also true of many later provisions.

Many of the specific provisions of the present Internal Revenue Code have outlived their usefulness. They now work hardships on millions of individuals. They also reduce the incentive for those in business to try new things or to improve the way they are doing things at present. We realize that some of the present provisions of the code were adopted to raise money quickly during periods of heavy spending for war purposes. But we have wound up with an overall tax system which has many defects.

The fact that our tax system needs revision is not something, incidentally, that the Republican Party has just suddenly proposed.

For years, congressional committees, with Democratic Chairmen and Democratic majority membership, have recommended revision. And Democratic minority members of the House Ways and Means Committee in 1947-48, when the Republicans were the

majority in Congress, also recommended revision and specifically listed double taxation of dividends and more flexible depreciation as items needing prompt consideration.

The general tax revision bill now before you, in other words, is not an arbitrary proposal of this administration. Most of its major provisions have been developed after long objective study and--in the absence of compelling political reasons to the contrary--have, over the years, been supported on both sides of the aisle in both the House and the Senate.

With most sincere conviction, I say that a modernization of our tax structure, as provided in part by the present tax revision bill, is something which this Nation must have for continued growth and prosperity.

The terrific importance of the tax structure upon our economy is obvious when we stop to think that 25 percent of the national income now goes for Federal taxes. With this larger proportion of our national income going into Federal Government, it is only sensible that the tax laws provide the fewest possible hardships for individual taxpayers. It is also important that the tax laws include the fewest possible drags on the wheels of American ingenuity and business in going ahead with new and better things under the free enterprise system which has made this country great.

For the future of our country, we must get out of our tax system as many of the inequities to individuals and barriers to economic growth as we possibly can. That is the purpose of the tax revision bill before you. There are many other changes in the code which we will continue to study and make further recommendations on in the years ahead. But this is a good start in cleaning up what at present is a very messy and stifling national tax structure.

In addition to straightening out the many inequalities of the tax code, we will keep working toward further cuts in total taxes required. And when we have cut spending so that we can cut taxes even further, we will then recommend that these tax cuts be made in rates, because it is in rates that the principal increases have been made in the past 15 years.

The general revision bill is only a part, but a very vital part, of our entire tax program. And this tax program, as the President said in his March 15 tax broadcast, is "the cornerstone" of the administration's entire effort. It is a whole tax program which, when we include some excise cuts to which we were opposed, will make effective tax cuts of $7.4 billion this year.

As the President pointed out at his news conference last week, this is the largest total tax cut made in any year of our history.

The spending program of this administration's 1955 budget is $12 billion less than called for by the 1954 budget we found when we arrived. And it is $8.5 billion less than was actually spent in fiscal 1953.

Without these savings, there could have been no tax relief for anyone. Because of these savings, tax cuts of more than $7 billion have been possible.

On January 1, taxes were cut by $5 billion by the reduction in individual income taxes and the expiration of the excess profits tax. The tax revision bill which we are discussing specifically today, while reforming the tax structure, will also result in reductions of $1.4 billion. We should note, also, that attached to this tax revision bill is the continuation of the corporation income tax at the 52 percent rate, an extension which will net $1.2 billion this year, or almost enough to pay for the entire cost of the revision bill. This hardly makes the bill a "giveaway to business" as some have called it.

The cost of the revision bill was provided for in the Budget Message (page M28), with a net loss from individual taxes of $585 million and a net increase in collections from corporate income taxation of $570 million, reflecting both the continuation of the 52 percent rate and revision measures. Additional items adopted in the House increase the revenue loss from individual income taxes by $193 million.

There are three main points about the general revision bill:

First, it is designed as a reform of the tax structure and not a tax reduction bill. We must keep this in mind as we hear the arguments against it which are based on the

misinformation that it is cutting taxes in what some people think is the wrong way. It is a reform program which has been proposed for years and years as needed reform.

Second, it helps millions upon millions of taxpayers who have been plagued by unjust and unfair hardships over many, many years.

Third, and most important of all, it will help our economy to grow; it will help new businesses to start, old businesses to expand, all businesses to modernize, and so help the creation of more and better jobs and better living for everyone.

A few specific provisions will show how millions of various types of Americans will be benefited by specific proposals.

Some 1,300,000 taxpayers will benefit by a change which allows a child to be continued as a dependent even if he earns more than $600 a year.

Some 1,500,000 people will benefit from fairer treatment for retired persons on pensions.

Some 8,500,000 people will benefit from larger deductions for medical expenses.

Some 1,600,000 people will benefit from allowing more liberal deduction of interest under installment purchase contracts.

Some 500,000 farmers will benefit from more liberal allowance for soil conservation expense.

Some 6-1/2 million of the 47 million taxpayers will benefit from the partial relief from double taxation of dividends.

Some 9,600,000 individuals, as well as 600,000 corporations, will benefit from more flexible provisions for depreciation.

The main purpose, as I said, is to help the economy expand and provide more jobs and better living.

The tax structure in this country has reached the point where initiative is seriously stifled.

The features in this tax revision bill which make it more attractive for the man who saves money to invest, or more attractive for the businessman to replace his present inefficient machinery, are the sort of things which can help this economy keep growing. Let's look at two of these controversial so-called business provisions for a moment.

The recommendation to reduce double taxation of dividend income will encourage the investment of savings so that business can expand and create more jobs. Largely because of tax restrictions, the trend in recent years has been sharply away from equity financing towards borrowing. This is the wrong way for America's economy to finance its expansion.

Tax relief which will encourage investors to invest in the growth and development of old and new American businesses is in the interests of all the citizens.

A great many Americans receive dividends. Three-fourths of all individuals who get dividends earn less than $10,000 a year. A recent United States Steel Corporation survey showed that 56 percent of its 280,000 stockholders earn less than $5,000 a year. Relief to stockholders is not limited to just a few wealthy individuals.

The method of relief proposed in this bill is a partial restoration of the treatment originally accorded dividends in 1913 and kept in the law until 1936. During that entire period dividends were exempt from the normal individual tax which was typically the first bracket tax. The 10 percent credit against tax contained in the present bill will, in effect, exempt dividends from one-half of the present first bracket rate of 20 percent. This is the same general method of relief adopted in Canada in 1949, but goes only half as far, except in the case of the small stockholder who by the terms of this bill gets the first $100 of dividend income completely exempt.

It is one of the provisions which will help the expansion of business and the making of more jobs. We only need to remember that the average cost of providing plant and equipment for one job in America is between $8,000 and $10,000. It is certainly in the interest of all Americans that the incentive to provide the money to create more and more jobs is stimulated so that our increasing numbers of available workers can have the opportunity for employment and wages at the American high standards.

Another provision of this bill allows more flexible changes for depreciation. This proposal will benefit 9,600,000 individuals, farmers, small businessmen, etc., as well

as 600,000 corporations. Here again, the purpose is to stimulate employment, plant expansion, and modernization.

The total deduction over the life of the property will not be increased and only the same total sum will be given as a tax deduction, but less restrictive rules than at present for writing off the investment in machinery or plant will encourage modernization and rebuilding of more efficient plant equipment and the creation of more jobs for the production of better and cheaper things for living.

Other countries have used special depreciation allowances with great advantage to encourage investment in new equipment and modernization of old plant and equipment. The change in tax allowances for depreciation in this bill are quite limited compared to depreciation treatment in countries such as Canada, Great Britain, Sweden, and Germany.

Nothing can so add to our national strength and preparedness as modernization of the whole industrial plant in America. There is nothing that can make more sure more jobs at which millions of people can earn high wages by producing more and better goods at less cost.

Our tax program has two objectives:

(1) Revision to reduce hardships on individuals and barriers to incentive; and
(2) Reduction of excessively high taxation as rapidly as it is justified by cuts in Government spending.

About 70 percent of all we spend is for security. We have made some savings in this area and we will make more, but no one wants to endanger our security by cutting expenses unwisely.

The only way the Government can save money is to reduce its spending. This means either reduction of people from the Government payroll or buying less material, which in turn means that the people who produced that material are temporarily out of work. The dollars that are saved in Government spending reduce work for the man who used to get those dollars. So that big reductions cannot be made quickly without seriously dislocating the economy.

As we cut Government spending, we must return to the people in tax cuts, as we are now doing, the billions of dollars in Government money saved, so that it can then be put to making new jobs for the people who previously received their income from Government spending.

People who have been making things for the Government for killing must, in this period of transition, now get jobs making things for living. Those who were making tanks and guns must now make washing machines and automobiles. A great transition must take place.

To have real prosperity in America, we cannot stimulate consumer buying alone. Large tax cuts to millions of individuals just to buy consumer goods is not enough. Millions of people in this country earn their living making heavy things--big lathes, generators, heavy steel, and machinery that consumers do not buy. Such things are purchased by investors. Our tax program not only returns billions of dollars to consumers but also seeks to stimulate the investment of savings to buy the products of heavy industry, in the production of which so many millions of Americans get their livelihood.

This administration is opposed at this time to any further tax cuts than those proposed in this bill. We are particularly opposed to any increase in personal exemptions, for two simple reasons:

First, we cannot stand any further loss of revenue. An increase in exemptions of $100 would cost about $2.4 billion. An increase to $1,000 would cost nearly $8 billion.

Secondly, it would entirely remove millions of taxpayers from the tax rolls. The President said in his broadcast that "the good American doesn't ask for favored position or treatment. . . . Every real American is proud to carry his share of the burden. ... I simply don't believe for one second that anyone privileged to live in this country wants

someone else to pay his own fair and just share of the cost of his Government." When a further reduction in taxes is justified it should be made by reducing the rates.

It has been suggested that the current economic situation requires some type of tax action different from that proposed in this tax revision bill.

Just what is the status of our economy at the moment? There is frequent discussion about unemployment and how things are turning down. We can be misled about how bad business really is and how much pickup can be made. This doesn't mean that I do not realize that a man who is out of a job is in serious trouble. I do not discount his difficulties in any way. This administration is concerned to see that everyone who wants to work can have employment. But let me call your attention to these plain facts:

In January and February of this year, there were more people employed in America than in any January and February in the whole history of this country except in January and February of last year. In January of 1953 there were 60.8 million people employed, and in February of 1953, 61 million. In January of this year there were 59.8 million employed, and in February, 60.1 million. I repeat this. Except for one year, 1953, January and February of this year had more people employed than any January and February in our history.

Some economic indicators show downward trends in comparison with this same time last year, which was the highest year in our history. The index of industrial production is down 8 percent; civilian employment is down a little, as we have said; and the gross national production is down about 1 percent.

Yet construction is running ahead of 1953. Business plant and equipment plans for 1954 are at a very high level. Personal income is running a very little higher than a year ago. And the general price level has been exceptionally stable.

Some people, fearing further downward trends, ask when the Government is going to get "in" and do something about it.

The fact is that the Government is always "in." There are so many things that the Government does or does not do that have a very real bearing on the state of the economy.

There are many things that the Government has already done; things recommended which are now before the Congress; and things which the administration has proposed either for the future or for action by executive agencies, all of which have and will help strengthen our economy.

First, in things already done, we should look at an area of Government action very close to us at Treasury: the area of flexible debt management and monetary policy.

The Federal Reserve Board, with its responsibility for monetary policy, reduced reserve requirements of member banks substantially as early as last June to make sure that there would be no bar to the proper volume of bank credit necessary to a growing economy. The Federal Reserve has purchased short-term Government securities in the market, to increase bank reserves, for a considerable period. The rate at which bankers can borrow from the Federal Reserve was reduced in February.

Treasury debt management also has been a positive factor, and Government interest rates have fallen to the lowest point in many years. Last July the Treasury had to pay 2-1/2 percent for a 8-month loan. In February we paid the same rate for a loan running almost 8 years. And our last one-year money borrowing was at 1-5/8 percent. Ninety-one-day bills cost close to 2-1/2 percent last June; now they are down to 1 percent.

In the current economic environment the Treasury has purposely done its financing in a way that would not interfere with the availability of long-term investment funds to corporations, State and local governments, and for mortgages to home owners. We want to be sure that plant and equipment, home building, and other construction all have ample available funds. The fact that construction thus far this year is running so high demonstrates how effective these policies are.

We have the Small Business Administration to ease the proper handling of credit in this particular and vital part of our economy.

Perhaps the biggest way that the Government is continually "in" the economy is in this matter of taxes. We have noted that tax cuts effected this year will total $7.4 billion, the largest total dollar tax cut in history. This saving of such huge amounts

of money for peacetime use should have a tremendously beneficial effect in stimulating the economy.

Some of the things recommended by the administration and now before the Congress which will have considerable bearing upon the economy are as follows:

The President has asked legislation to broaden the base and benefits of old-age insurance. This legislation is currently before the House Ways and Means Committee.

In the housing bill, which is currently before the Senate, are two administration proposals affecting the building of homes. We have asked that the Government be allowed to change the terms of governmentally insured loans and mortgages as circumstances require. We have asked that a secondary home mortgage market be established.

The administration has urged that the highway construction program be increased and a record sum has already been voted by the House.

The administration is recommending a positive program for flexible price supports for the American farmer. The President's program is being actively considered by both the House and the Senate.

The administration has taken specific actions within the executive departments and with other governmental bodies to do things that will help strengthen our economy.

We have recommended legislation to improve unemployment insurance and the administration has asked the governors of the various States to study the possibility of making payment scales more realistic.

A committee for State, local, and Federal planning has been appointed and is now at work.

The President has asked the Office of Defense Mobilization to redirect its stockpiling program, which will help distressed mining areas.

The administration is going ahead with improved planning of its public works programs which can be available for any emergency.

Last but far from least, the tax revision bill which we are specifically considering today, will upon enactment have a tremendously helpful effect upon the economy. While it is basically a long-overdue tax reform bill, it can help greatly the current economic transition.

There are many business projects around the country which are being held up pending final decision on this revision bill. It is imperative that the earliest possible action should be taken. When the bill is enacted, these new or expanding businesses can go ahead with their plans, which will result in the creation of thousands of jobs and the vital expansion of our economy.

The Government is always "in" the economy. That is one of the facts of life today. But we must remember the fundamental principle that the best government is the least government.

It is the citizens of our free economy who, through their initiative and ingenuity, must make sure that we keep moving ahead with higher employment, higher pay, and better living for all. The steps the administration has thus far taken, tax cuts, monetary and debt management operations, as well as the other items outside the fiscal field, are steps in the direction of restoring more freedom to our economy. And in more freedom in our economy is the strength of our Nation--not only in the current transition period but in the long run as well.

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## Exhibit 36.--Letter of Secretary of the Treasury Humphrey, April 8, 1954, to the Chairman of the Senate Finance Committee relative to the Treasury's participation in resolving technical suggestions concerning the tax revision bill

Dear Mr. Chairman: I am glad that you have announced that technical representatives of the Joint Congressional Committee on Internal Revenue Taxation, and technical people from the Treasury staff will constitute a working group to consider all technical criticisms or suggestions regarding the tax revision bill which may be made.

The Treasury is very glad to participate in this method of resolving technical suggestions concerning this bill. As you said this morning, in revising anything as

complicated as this lengthy measure, there were bound to be some technical, clerical or even printing errors. We all want to get these things corrected to provide the best possible final bill.

The earliest possible enactment of this bill is imperative to assist in the vital expansion of our economy and creation of thousands of jobs. Straightening out of minor technical defects by this group which you have announced should materially help in prompt consideration of this vital bill as a whole.

With best personal regards.

Sincerely,

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 37.--Remarks by Deputy to the Secretary Burgess before the Subcommittee on Economic Development of Committee on Economic Matters, Tenth Inter-American Conference, Caracas, Venezuela, March 13, 1954

Mr. Chairman and Delegates, I ask permission to say a few words, particularly in the matter of our tax programs, which might be of interest to the delegates.

This is the first opportunity I have had as a representative of the United States Treasury to speak for our delegation, and I should like to pay my respects to the presentations which have been made here by the several delegates. It has been a liberal education for us to sit here and hear the discussions. As an old student of economics, I have been greatly impressed by the economic analysis contained in your presentations. I should like also to express appreciation for the frankness that the delegates have shown from time to time in telling us what they really thought about these matters. For in that way, we shall continue to make progress.

I think you might all be interested in an announcement which I wish to make on behalf of General Edgerton, Managing Director of the Export-Import Bank. A loan of $12 million has been authorized by the Export-Import Bank to the Cuban Electric Company. This is additional evidence that the Export-Import Bank is continuing its lending activities.

When the new administration took office in Washington a little over a year ago, all of us were determined that we should have a very thorough review of our entire tax program. We, therefore, gathered together a group of the best experts that we could find and for more than a year they have been working in close consultation with our congressional committees. They have been making a complete revision of our entire revenue code. It means a rewriting of something like 1,000 pages of our tax law.

The President in his message to Congress suggested some 25 major changes in the tax laws. Since that message, the representatives of the Treasury have been working with the Ways and Means Committee of the House of Representatives and, as a consequence, the committee has reported a bill which embodies substantially all of the recommendations of the administration. The bill should be up for consideration of the House of Representatives during the coming week. I have gone into some detail on the background to indicate the amount of thought and study that has been given to the entire tax situation.

The most important part of this study for this Conference is the proposals dealing with taxation of foreign income. The following is a quotation from President Eisenhower's message to the Congress:

"22. Business income from foreign sources: I recommend that the taxation of income from foreign business investments be modified in several respects. The investment climate and business environment abroad are much more important than our own tax laws in influencing the international flow of capital and business. Nontheless,

our capital and management know-how can be helpful in furthering economic development in other countries, and is desired by many of them. Our tax laws should contain no penalties against United States investment abroad, and within reasonable limits should encourage private investment which should supplant Government economic aid.

"Specifically, I recommend the following new provisions in our taxation of business income from foreign sources:

"(a) Business income from foreign subsidiaries or from segregated foreign branches which operate and elect to be taxed as subsidiaries should be taxed at a rate 14 percentage points lower than the regular corporate rate. This lower rate of tax should apply only to earnings after January 1, 1954.

"(b) The present definition of foreign taxes which may be credited against the United States income tax should be broadened to include any tax other than an income tax which is the principal form of taxation of business in a country, except turnover, general sales or excise taxes, and social security taxes. This country, by its tax laws, should not bring indirect pressure on other countries to adapt their tax systems and rates to ours.

"(c) The overall limitation on foreign tax credits should be removed. This limitation discourages companies operating profitably in one foreign country from starting business in another foreign country where operations at a loss may be expected in the first few years.

"(d) Regulated investment companies concentrating on foreign investments should be permitted to pass on to their stockholders the credit for foreign taxes which would be available on direct individual investments."

If these recommendations are enacted by the Congress, business income derived by United States corporations from sources abroad will be taxable at a rate equal to 14 percentage points less than the rate prevailing at the time with respect to corporate income in the United States.

For illustration, instead of the present normal 52 percent tax on corporate income, the rate applied to earnings from foreign operations will be only 38 percent. At the same time, the long established policy of granting a tax credit for certain taxes paid abroad will reduce the effective rate in most cases to something much less than 38 percent.

These tax benefits will be made available to United States corporations operating abroad either through a branch or through a corporate entity of the foreign country, as may be appropriate under local conditions. When the operation is conducted through a foreign corporation, it is proposed to permit the United States corporation to hold as little as ten percent of the stock of the operating company and still obtain these tax benefits.

Another proposal of the President would recognize, for tax credit purposes, the tax regimes of countries which rely on taxes other than income taxes as the principal source of revenue from a particular business activity. This would reduce the burden of the United States tax even further below the level I mentioned earlier.

We believe that, unilaterally, the United States is taking all steps it could reasonably take within the effective limits of tax incentives to induce its capital to seek outlets in countries in which conditions are such as to offer attractive and profitable uses for foreign capital.

Bilaterally, there are further steps the United States is prepared to take. I refer to tax treaties for the alleviation of double taxation. These treaties are an integral part of the United States program to create a favorable tax climate for international trade and business. As of today, the United States is a party with foreign countries to fifteen treaties relating to income taxes, ten treaties relating to estate taxes and death duties, and one treaty relating to the taxation of gifts. Income and estate tax treaties with three other countries are now in the closing stages of negotiations.

Unfortunately, we have no treaty with any Latin American republic. Several promising negotiations failed to materialize to the point of execution of an agreement. We trust that, in furtherance of their desires for the inflow of private capital, the Latin American

republics will be receptive to our offer to meet and attempt to work out mutually equitable arrangements for clarifying international tax relationships and for minimizing double taxation. Such action would afford business and investors further assurance of our desire to create conditions conducive to a free flow of investment and trade.

We have with us on our staff, Mr. Walter Sauer, Legal Adviser of the Treasury on International Tax Problems. He is ready to have discussions with any of the delegations which would like to explore these matters further.

I cannot conclude these few remarks without again expressing appreciation of so many of the statements which have been made here. As a central banker, may I, in particular, express appreciation for the statements which so many of you have made so effectively as to the necessity for sound, internal policies with respect to budgets and with respect to monetary measures as a necessary basis for economic development and for the stimulation of the investment of adequate funds to carry forward such development.

I believe, gentlemen, we are building a solid and sound basis for the progress which we are destined to make working together.

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## Exhibit 38.--Statement by the President, August 16, 1954, upon signing H. R. 8300, the Internal Revenue Code of 1954

This bill which today becomes law is the excellent result of cooperative efforts by the Congress and the Department of the Treasury to give our tax code its first complete revision in seventy-five years. It is a good law. It will benefit all Americans.

This law brings tax relief to large numbers of our citizens. It is, in fact, part of a comprehensive tax program which, since January 1 of this year, will have provided for tax cuts totaling $7,400,000,000, the largest dollar tax cut in any year in the Nation's history.

It is a law which will help millions of Americans by giving them fairer tax treatment than they now receive. For example:

The parents of dependent children who work can continue to claim their children as dependents, no matter how much the children earn.

Retired people and widows living on retirement income other than social security will receive a tax credit which will in effect be equal to the tax credit now given to people living on social security income.

Taxpayers will now be able to claim as dependents people who are not related to them, so long as they provide more than one-half of such dependents' support.

Farmers active in soil and water conservation will be able to deduct from their income the cost of such conservation work, up to 25 percent of their gross income.

People with large medical expenses will now be able to deduct from their income all such expenses which exceed three percent (rather than five percent) of their incomes, and the maximum amounts deductible will be twice as large as they were in the past.

Working widows and many other mothers with child-care expenses will be able to deduct from their income up to $600 a year for the costs of taking care of their children.

People receiving sick benefits paid by employers will not have to pay any tax on such income up to $100 a week.

In addition to removing inequities in our tax system, this law will help our economy expand and thus add materially to the strength of our Nation. It will help our people produce better goods at cheaper prices--and it will help to create more jobs.

This economic growth will be fostered by such provisions as more flexible depreciation and better tax treatment of research and development costs, thus encouraging all business, large and small, to modernize and expand. And, partial reduction of the

double taxation of income from dividends will stimulate the investment of savings by our private citizens and so make available the thousands of dollars that provide the plant tools and power needed for each new job in America.

Numerous other provisions will also help to expand the economy. These include the easing of the so-called penalty tax on accumulated earnings when necessary for legitimate business purposes; the extension of the carryback of net operating losses; and the greater flexibility of the tax treatment of recapitalizations and reorganizations.

Almost balancing the revenue lost through these tax reductions is additional revenue of $1.2 billion gained by an extension of the 52 percent tax on corporation profits. The new law also closes more than fifty loopholes through which, in the past, some taxpayers may have attempted to avoid their fair share of the tax burden.

And, at long last, the American people will have, because of this law, much needed clarification of many tax provisions which previously have been subject to controversy.

I congratulate the Congress and its leaders for having enacted this monumental tax revision. Its passage is a tribute to a Congress which in this session has made so many major contributions to the prosperity and security of the people of our country.

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## Exhibit 39.--Remarks by Under Secretary of the Treasury Folsom before the American Management Association, New York City, August 19, 1954, on the philosophy of the new tax bill

### PHILOSOPHY OF THE NEW TAX BILL

On Monday of this week, the President signed the tax revision bill which constitutes the first complete overhaul of the Federal tax system since long before the turn of the century. Tax revision, as you know, has had an important place in the President's program.

The document, which emerged from the Congress under the title "An act to revise the internal revenue laws of the United States," is a new point of departure in the evolution of our tax system. I should like to discuss some of the principles basic to this legislation.

In his Budget Message to the Congress early this year, the President stated his philosophy of tax revision as follows:

"Revision of the tax system is needed to make tax burdens fairer for millions of individual taxpayers. It is needed to restore normal incentives for sustained production and economic growth. The country's economy has continued to grow during recent years with artificial support from recurring inflation. This is not a solid foundation for prosperity. We must restore conditions which will permit traditional American initiative and production genius to push on to ever higher standards of living and employment. Among these conditions, a fair tax system with minimum restraints on small and growing businesses is especially important."

The job was to translate these guiding principles into the many detailed provisions of the law.

### I. The background

This task has been under way since the spring of 1953 when the Treasury, acting at the President's direction, joined with the congressional tax committees and their staffs in a comprehensive review of the entire Internal Revenue Code.

General tax revision was long overdue. The tremendous development of our tax system during the periods of depression, war, and defense buildup had been haphazard.

inequities and inconsistencies crept in. Substantial impediments to economic development appeared. The law itself became complex, cumbersome, and, in many cases, unclear.

These conditions produced a vast number of studies and suggestions for reform by individuals, professional groups, and congressional committees. An extensive accumulation of materials of this type existed in the files of the Treasury Department and the congressional tax staffs. The answers to a questionnaire sent out by the Joint Committee on Internal Revenue Taxation and the hearings of the Committee on Ways and Means in the summer of 1953 brought into focus most of the problems with which we had to deal and provided additional valuable material for our studies.

Throughout our work on the revision bill, we consulted extensively with the individuals and groups best informed on the specific problems under review. We made a particular effort to seek out criticism immediately after the House of Representatives had acted on the proposed new code. We were aware of the dimensions of the job, as well as the fact that in a good many areas we were proposing substantial innovations. The advice received at that time from professional associations and well-informed individuals was most helpful in revising certain sections of the bill while it was before the Senate.

## II. The basic objectives

The basic purpose of our work was tax revision, not tax reduction. Indeed, the bulk of the administration's tax reduction program was already in effect when the revision bill was passed by the House. Tax reductions made during 1954 total $7.4 billion. This is the largest total dollar reduction during a single year in the country's history, and reflects the administration's policy of passing on to taxpayers the savings currently being made in governmental expenditures. Since it would have been unwise and irresponsible to make reductions in excess of budgetary economies, the revenue loss which could be absorbed under the revision bill was limited. At the same time, the continued high level of taxation necessitated by our defense needs made it extremely important that the revised law be as sound as we could make it.

The revenue losing provisions of the revision bill involve a loss of about $1.4 billion in the fiscal year 1955. However, the bill also extends for one year the 52 percent corporate rate which cuts the net loss in 1955 to less than $200 million.

In addition, the bill reduces the Treasury's debt management problem by providing for a further gradual acceleration over a five-year period in the tax payments of corporations with tax liabilities in excess of $100,000. Although less than 5 percent of the corporations are subject to the new schedule, they account for 85 percent of the total corporate income tax liability. When the transition to the new system is completed, these large corporations will be paying half of their taxes in the second half of the year during which the liability arises and the balance during the first half of the following year. This will reduce materially the excessive concentration of the Federal Government's receipts during the first 6 months of the calendar year.

The chief purposes of the revision were to: (1) Remove inequities, (2) reduce restraints on economic growth and the creation of jobs, (3) close loopholes, and (4) clarify the law. I want to illustrate how each of these purposes has been achieved in the new code.

### A. The removal of inequities

Our efforts to remove inequities have brought fairer treatment and reduced hardship for millions of taxpayers.

Parents need no longer be on guard lest a child be disqualified as a dependent because his vacation or part-time earnings exceed $600. The new law waives this income test where the dependent is the taxpayer's child under the age of 19, or is a student.

A widow or widower who must maintain a home for dependent children will not be deprived abruptly of the benefits of income splitting because of the death of the other

spouse. Instead, the tax return of the survivor will, for a period of 2 years, continue to be treated as though it were the joint return of husband and wife and, therefore, eligible for the full benefits of income splitting.

Widows, widowers, and working wives in low income families will be permitted to deduct expenses, incurred while at work, for child care. Widows and widowers may deduct amounts paid up to a maximum of $600 a year for the care of children under 12 or any incapacitated person. In the case of working wives, the deduction is reduced by the amount by which the combined incomes of the husband and wife exceed $4,500.

Taxpayers with heavy medical, dental, or hospital bills will receive more generous treatment. The excess of such expenses over 3 rather than 5 percent of the taxpayer's income will be deductible, and the maximum deduction allowed is doubled.

Restrictions on the deductibility of charitable contributions have been eased. In addition to the 20 percent of the taxpayer's income allowed under the previous law, an extra 10 percent is allowed for contributions to hospitals, churches, or educational institutions.

Discrepancies between the tax treatment of social security benefits and other forms of retirement income have been reduced. Retired persons receiving income from pensions, annuities, interest, rents, or dividends will be entitled to a 20 percent credit against tax on as much as $1,200 of such income. This will exempt many elderly retired persons of modest means from the income tax. The credit is reduced for the amount of social security benefits and other exempt forms of retirement income in order to prevent duplication of exemptions and equalize the tax treatment of various types of benefits.

Under the old law, taxpayers were denied deductions for the interest included in carrying charges on installment purchases unless the interest element was separately stated. The new law specifically permits the deduction as interest of a portion of the carrying charges, up to 6 percent of the unpaid balance.

The new law makes it clear that premiums paid by employers for health and accident plans are not to be taxed as income of the employee.

Under prior law, sickness and accident benefits financed by the employer were exempt if paid under an insured plan but were taxed if provided under a noninsured plan. Under the new law, benefits paid under both types of plans will receive the same treatment. Thus, reimbursements for medical expenses and for permanent injury are excluded from income. Sickness benefits paid in lieu of wages are exempt up to $100 a week.

The new law eliminates inequities in the treatment of annuities which existed under the 1939 code. The purchaser of an annuity will be allowed a uniform annual exclusion sufficient to permit him to recover his entire capital tax free over the period of his life expectancy.

Farmers are given the option to deduct the costs of soil and water conservation as a current expense up to 25 percent of their gross income. Under the old law these costs generally had to be capitalized and could be recovered for tax purposes only upon sale of the land. This change will be of direct benefit to farmers and will benefit all of us indirectly by encouraging sound conservation practices.

These measures are illustrative of the relief given individual income taxpayers under the new legislation. Substantial assistance has been provided in unusual hardship cases at a relatively modest cost. A great deal has been done to make the law more certain.

Moreover, the taxpayer has been given an additional 30 days in which to file his return; about a million people have been relieved of the responsibility of filing declarations of estimated tax; for those who must still file this return, the rules have been made more reasonable and the penalties, when imposed, less complicated and severe.

### B. The removal of deterrents to business expansion

The second objective of our work was the reduction of tax deterrents to the expansion of investment in private business. This expansion is necessary for the production of better goods at lower prices and the creation of more and better jobs. A number of the provisions in the new law are focused on this objective. The most important of these is a new and more realistic treatment of depreciation.

1. Depreciation.--The provision in the 1939 code relating to depreciation was brief and general. It merely provided "a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence) (1) of property used in a trade or business or (2) of property held for the production of income." The specific rules governing allowable deductions and procedures were left to regulations and administrative practice. While various methods of apportioning the cost of the property over its service life were permitted, limitations imposed upon alternate methods resulted in the general use of the straight-line formula. This system, which spreads the cost evenly over the asset's life, is simple, but the deductions which it allows are frequently at odds with the actual facts. For instance, as everyone knows, a large portion of the value of a new automobile disappears during the first year or two of its life.

The failure of tax deductions under the straight-line formula to keep pace with true depreciation was discouraging to plant modernization and economic progress, particularly when the investment was of a long-range character and involved a considerable business risk. The unrealistically slow write-off also aggravated the problem of financing expansion.

The new code will give taxpayers much greater latitude in the selection of methods of depreciation and allow a more rapid write-off of the tax basis of the property.

The taxpayer will be permitted to compute depreciation under the declining-balance method at twice the straight-line rate. This will conform the allowable deductions more closely to true depreciation since about two-thirds of the cost will be written off during the first half of the asset's life, as compared with only one-half under the straight-line formula.

While discussions concerning the new provisions have tended to concentrate upon this declining-balance formula, specific provision has also been made for the use of the sum-of-the-years'-digits method which in some respects is more liberal than the 200 percent declining-balance formula. Moreover, any other consistent method will be acceptable so long as it does not produce larger deductions than those allowable under the 200 percent declining-balance formula during the first two-thirds of the service life of the asset. Systems of depreciation which were proper under the 1939 code are specifically recognized under the new law.

A taxpayer who elects the 200 percent declining-balance method is given the option to switch to straight-line depreciation at any time during the life of the property. This will assure recovery of the full cost over the service life of the asset, a result which would not always be obtained under the declining-balance method. Hence, this option removes a possible impediment to the adoption of the declining-balance formula.

2. Double taxation of dividends.--The new law provides a degree of relief from double taxation of corporate dividends. This double taxation is a major injustice, a penalty on equity financing, and a serious obstacle to business expansion.

We depend on risk capital for the development of new enterprises and the growth of old ones. Large sums are needed to create new jobs. It is estimated that the average cost of providing one job is well over $10,000. Double taxation of dividends makes it difficult to attract the risk capital necessary to create these jobs. It also encourages corporations to finance themselves by bonded indebtedness, because interest can be deducted for tax purposes. In recent years over three-quarters of the outside financing of industry has taken the form of bonded indebtedness. This makes the economy more vulnerable in periods of business unsettlement.

Under the new code each stockholder will be permitted to exclude from his gross income up to $50 of dividends and will be allowed a credit against tax equal to 4 percent of the dividends in excess of the exclusion. The amount of the credit is limited to 2 percent of the stockholder's total taxable income in 1954 and to 4 percent in later years.

The new law is a partial restoration of the treatment accorded dividends prior to 1936. When the first income tax law was enacted in 1913, a normal tax was imposed on individuals at the rate of 1 percent. In addition, a tax was imposed on corporations at the rate of 1 percent. At that time, dividends were completely free of the normal tax in the hands of the individual because, as the committee reports on that act state, the

corporation was merely the collecting agent for the shareholder, and the income should be taxed only once. This principle continued to be recognized in the income tax law until 1936 with dividends being exempt from the normal tax but subject to surtax.

In 1936, in the confusion attending the enactment of the undistributed profits tax, the exemption of dividends from the normal tax on individuals was abolished.

Our new law restores the historical concept of avoiding double taxation by adjusting the tax of the individual dividend recipient, but the amount of the relief is comparatively modest. It is by no means the equivalent of the pre-1936 normal tax exemption and is much smaller than either the 20 percent credit allowed under the Federal income tax law in Canada or the adjustment made under the British law.

Our new provisions are, nevertheless, a significant step in the right direction. The $50 exclusion is a particularly important feature because it will give small taxpayers a proportionately greater incentive to invest in equity securities. It is extremely important for the growth and stability of the Nation that equity funds be more readily available to new and growing businesses and that the ownership of corporate enterprise be spread even more widely among all our citizens.

3. Research and experimental expenditures.--The 1939 code made no specific provision for the research and experimental expenditures which are so vital to the growth and increasing efficiency of American business. As a practical matter, large businesses with regular research and experimental budgets have been able to deduct most of these expenses currently. However, in the case of many small businesses unable to afford a regular budget for research, doubt has existed concerning the deductibility of such expenditures. Moreover, when they were capitalized, there was no assurance that they could be amortized over a definite period or that an abandonment loss could be established. The new code gives all taxpayers the option to deduct such expenses currently or to capitalize them and write them off over a period of not less than 5 years.

4. Carryback of operating losses.--The new code will be fairer and less burdensome to businesses with irregular and fluctuating earnings. The period for the carryback of losses is extended from 1 to 2 years, thus providing, in combination with the 5-year carryforward, a total span of 8 years for absorbing a loss. The additional carryback increases the possibility of immediate relief through tax refunds when business is losing money and needs the relief most.

The new law also eliminates the requirement that the loss carryover be decreased by an adjustment for the intercompany dividend credit, the excess of percentage over cost depletion, and tax-exempt interest. These changes cut down substantially the tax disadvantages of businesses with uneven earnings, which are apt to be the unusually risky enterprises that are of such critical importance to the development of the economy.

5. Tax on unreasonable accumulation of surplus.--The changes in the tax on the unreasonable accumulation of surplus will also contribute to the expansion of the economy. Under the old law, the application of the tax was uncertain, and its impact, when imposed, extremely harsh. If the Government believed that the retained earnings of a corporation were excessive, the taxpayer was required to demonstrate that this was not the case. The necessary evidence was not always easy to assemble even when the retention served a legitimate business purpose, particularly because the taxpayer had to show that there was an immediate and specific use for the retained earnings. The tax was therefore greatly feared especially by small business and tended to impede and distort investment programs.

The continuance of this tax is necessary in order to prevent the use of the corporation for avoiding the surtax on individual shareholders. However, under the new code the taxpayer, by supplying information, can shift to the Government the burden of proof as to reasonableness. Instead of having to show an immediate and specific need for the retained earnings, the taxpayer will be required to show that the retained earnings are necessary to meet "reasonably anticipated" business requirements. An accumulation of $60,000 can be made without threat of penalty; and the tax, when imposed, will apply only to the portion of the retained earnings found to be unreasonable.

By liberalizing the law and clarifying the taxpayer's position, these changes will eliminate the disturbing influence which the penalty tax has had upon dividend and investment policies.

The new depreciation rules, the dividends-received credit and its accompanying exclusion, and other important revisions have removed or reduced serious obstacles to new investment. The Nation will follow with keen interest the way business avails itself of this opportunity to modernize and expand its plant and equipment.

## C. Loopholes

Our third objective was to close loopholes. This involves repairing more than 50 provisions in the old law which enabled taxpayers to avoid their share of the burden by taking advantage of technicalities.

1. Preferred stock bail-out.--For example, taxpayers were able to use a device commonly known as the "preferred stock bail-out" to siphon off large accumulated earnings from a corporation at capital gains rates. This was done by having the corporation issue to common stockholders a nontaxable dividend of preferred stock which was later redeemed. The revised code taxes as ordinary income the proceeds of the sale or redemption of preferred stock acquired in such transactions.

2. Purchase of a loss corporation.--The new code will also curb the trafficking in net operating loss carryovers. Under the old law it was frequently possible for a successful business to reduce its tax liability by purchasing a corporation which had lost money. The new law eliminates the carryover when more than 50 percent of the stock of the loss corporation is purchased by new owners within a 2-year period and the loss corporation thereafter does not continue in the same business.

3. Collapsible corporations and partnerships.--The old law curbed the use of so-called collapsible corporations which were liquidated in a manner that at one time restricted the tax liability to a capital gains tax on the shareholders. The new law makes these curbs more rigorous, and also imposes restrictions on collapsible partnerships which had been overlooked under the earlier law.

4. Sickness benefits.--At the individual income tax level, sickness benefits or continuance of salary payments during periods of illness were previously exempt without limit if paid under an insured type of plan. This was especially advantageous for some taxpayers in the higher income brackets. The new law prevents abuse by limiting the exemption of salary continuance benefits to $100 a week. At the same time the law is made fairer by extending this limited exemption to all salary continuance benefits whether or not paid under an insured plan.

5. Proceeds of life insurance paid in installments.--Another means of avoidance under the old law was to arrange to have life insurance proceeds paid in installments after the death of the insured. The old law exempted not only the life insurance proceeds but also the interest earned after the death of the insured. This enabled beneficiaries of large amounts of insurance to receive substantial interest incomes tax free. The new law requires that the interest earned after the death of the insured on life insurance proceeds paid in installments be subject to tax with the exception of $1,000 a year paid to a surviving spouse. Of course, life insurance proceeds themselves continue to be exempt.

6. Exemption of multiple employee death benefits.--The provision of the old law which exempted $5,000 of death benefits paid by an employer to beneficiaries of a deceased employee had also been used to avoid tax. The $5,000 limit applied to payments by any one employer. Some persons employed by several corporations arranged for each employer to pay a $5,000 death benefit, thus providing the beneficiary with exempt benefits many times $5,000. The new law closes this loophole by allowing only one $5,000 exemption for each employee.

These are examples of the way the tax revision bill prevents businesses and individuals from avoiding their share of the tax burden. These loophole closing provisions will save revenue, make the tax system fairer, and eliminate economic distortion which has been due to arrangements adopted merely for purposes of tax avoidance.

## D. Clarification

A fourth objective was the clarification of the tax law. For years taxpayers have been pleading that the law be made clear and simple so as to lighten the burden of compliance and reduce the amount of paperwork.

In the revision, the provisions of the law have been arranged in a more logical order, obsolete material has been deleted, and the language has been made more certain and understandable. In some important areas where the taxpayer had previously been forced to rely upon court decisions and administrative rulings, clear statutory guidance has been provided. We have tried to reduce to a minimum the situations in which heavy reliance is placed on the judgment of the internal revenue agent.

Clarification was one of the principal objectives of the work done with respect to corporate reorganizations, recapitalizations, and distributions. A new set of simple, clear, and internally consistent rules has been developed. It is anticipated that they will make it possible for the businessman to know with reasonable certainty, and in advance, the tax consequences of alternative courses of action. So far as possible, unnecessary tax barriers to desirable business practices have been removed. The tax-free rearrangement of stockholders' interests will be permitted so long as earnings are not withdrawn from the corporation. We believe, therefore, that this portion of the new law will also reduce materially the distorting effect of tax considerations upon sound business policy.

Clarification was also one of the primary objectives of the extensive revision of the law dealing with the tax treatment of estates and trusts. Some of the most troublesome portions of the old law have been eliminated, and a very simple set of rules has been introduced which will govern the treatment of the vast majority of trusts.

The new provisions dealing with partners and partnership transactions are other outstanding examples of clarification. On such matters the old statute was wholly inadequate. Most of the important issues depended upon a confusing accumulation of case law and administrative rulings. Taxpayers found it difficult to determine the consequences of many everyday transactions such as the transfer of assets into and out of a partnership, sales of partnership interests, and noncash distributions to partners. The new code contains a rational and reasonably flexible set of rules which will not only clarify the principal tax problems in this area but also minimize the disturbing effects of tax considerations upon business done in the partnership form.

In the clarification of the law the income tax provisions have been brought into closer conformity with generally accepted accounting principles. The differences between tax and business accounting which existed under the old law were irritating and sometimes required businessmen to keep more than one set of books. These differences related chiefly to the timing of the receipt of income and the deduction of expenses. Under the new law each item of income or expense will be counted only once, but the timing will accord with generally accepted accounting principles.

## E. Balancing of objectives

These were the principal objectives we sought to achieve by tax revision, within the limitation on the loss of revenue to which I have already alluded.

No doubt we have not been able to achieve all our primary objectives to the extent that some taxpayers desired. One fact which emerged clearly from our work is that objectives frequently conflict with one another. For instance, clarity is not always consonant with simplicity or brevity, and at many points our efforts to make the new law clear and easy to work with have necessarily resulted in more detailed provisions than those contained in the 1939 code.

Simplicity and fairness are also sometimes incompatible. Those who seek simplicity frequently raise other problems which defy simple solutions.

Our work with the pension, profit-sharing, and stock bonus provisions illustrates this type of conflict. The regulations under the old law had been subject to widespread criticism as being overcomplicated, restrictive, and uncertain. There were many complaints that taxpayers had to wait a long time for individual rulings from the Internal Revenue Service to know whether their particular plans qualified.

To meet these criticisms and after consultation with many experts outside the Government, the House bill sought to spell out certain clear-cut rules which would enable taxpayers to determine whether particular plans qualified without submitting them to Internal Revenue for approval. Ambiguity was to be removed, leaving no doubt as to which plans were acceptable.

No sooner were the proposed simple rules made public than criticisms began to come in. Many found the new provisions too inflexible and questioned whether it was possible to prescribe mechanical rules which would cover adequately the wide variety of plans in use. Some maintained that these provisions discriminated against small firms and disqualified plans which could qualify under the old law. Others felt that the new rules were too lax and would permit the qualification of discriminatory plans.

In this instance, Congress abandoned the new provisions and returned to the basic outlines of the old law. Simplification was deferred pending further study.

## F. The task before us

There are other areas where much work remains to be done. As you know, some important sections of old law, including some widely criticized provisions, were carried over into the new code largely unchanged. This is true of most of the excise provisions.

Moreover, some income tax provisions which would have been changed under the House bill were restored to their old form in the Senate. The time available was too short for working out several problems which developed after the bill had the benefit of public scrutiny.

This, for example, was the fate of most of the proposed changes in the tax treatment of income obtained from foreign sources. The House bill contained a substantial group of proposals following the President's recommendations and designed to encourage United States investment abroad. Among them was a 14-point reduction in the tax on income from production abroad.

Critics of these proposals made a strong plea to the Senate Committee on Finance for further liberalization. However, no agreement could be reached by those concerned with respect to the types of income which were to be taxed at the reduced rate. As a result, this provision, together with certain allied proposals, was stricken from the bill. Since the basic problem remained unsolved at the time the bill was in conference, most of the proposed changes in the treatment of foreign income do not appear in the new law, the principal exceptions being the elimination of the overall limit on the foreign tax credit and the extension of the credit to shareholders of regulated investment companies specializing in foreign securities. The taxation of foreign income, therefore, requires further study.

The President's proposals also included the elimination over a 3-year period of the penalty taxes on intercorporate dividends and consolidated returns. However, the action taken in the final bill was confined to the lowering of the affiliation requirements to an 80 percent of stock ownership test and the elimination of the 2 percent tax on consolidated returns in the case of regulated public utilities.

Finally, a number of important areas were deliberately reserved for further study. In his Budget Message, the President specifically placed in this category the treatment of capital gains and losses, the problems of the oil and mining industries, the tax treatment of cooperatives and tax-exempt organizations, and the retirement income of people not covered by pension plans. These important subjects were reserved for future legislation.

We know that the job of tax revision is not complete. In a growing and changing economy it is necessarily a continuing task. However, as the President said when he signed the bill, this law "is the excellent result of cooperative efforts by the Congress and the Department of the Treasury to give our tax code its first complete revision in seventy-five years. It is a good law. It will benefit all Americans."

We believe also that it can make a major contribution to America's increasing strength and prosperity.

For many years businessmen and others have urged removal of tax restraints. We believe that this bill goes far in that direction. The tax system, however, cannot itself

provide the growth. Much will depend upon the response of businessmen and investors to this improvement in our economic climate.

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## Exhibit 40.--Statement by Secretary of the Treasury Humphrey, March 2, 1954, on proposed reductions in excise taxes

We have nothing but the very highest praise for the splendid cooperation between the Ways and Means Committee, its staff, and the Treasury Department, in the months and months of study that have gone into the preparation of the tax revision program.

We fully support that part of the bill introduced by Chairman Reed today extending at present rates those excise taxes which would otherwise be reduced on April 1 next. But we cannot support that part of the bill which will reduce other excise taxes in the amount of approximately $1 billion.

The Treasury has been prepared for some time to concur in selective reductions of excises in particular hardship cases where industries were being badly hurt by especially high rates. But the broad reduction in excise taxes now proposed in the bill is more than the Treasury can afford at the present time.

The carefully developed relief provisions of the general tax revision bill which the Ways and Means Committee, now has under consideration, have the full and complete concurrence of the Treasury. Millions of taxpayers will receive benefits where relief is most needed, and in the manner best calculated to encourage initiative and make more and better peace-time jobs.

The reduction of revenue which this involves is provided for in the budget, and is all that the Treasury can now afford.

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## Exhibit 41.--Summary of the Excise Tax Reduction Act of 1954

The Excise Tax Reduction Act of 1954, approved on March 31, 1954, reduced a number of excise tax rates and made other adjustments in these taxes effective April 1, 1954. The reductions are estimated to reduce revenues by approximately $1 billion.

## Estimated effect of 1954 excise tax reductions

[In millions of dollars]

| | Amount of revenue decrease |
|---|---|
| Luggage | $45.0 |
| Furs | 24.0 |
| Toilet articles | 64.0 |
| Jewelry | 101.0 |
| Admissions, exclusive of cabarets | 200.0 |
| Lease of safe deposit boxes | 5.0 |
| Photographic apparatus | 14.0 |
| Electric light bulbs and tubes | 19.0 |
| Firearms, shells, cartridges | .9 |
| Mechanical pencils, pens, and lighters | 4.0 |
| Local telephone service | 132.0 |
| Domestic telegraph, cable, and radio | 11.0 |
| Long distance telephone service | 220.0 |
| Transportation of persons | 95.0 |
| Lubricating oils (cutting oils) | [1] |
| Matches | 4.0 |
| Refrigerators, freezers | 29.0 |
| Electric, gas, and oil appliances | 53.0 |
| Pistols and revolvers | .1 |
| Total revenue decreases | 1,021.0 |

[1] Negligible.

### Manufacturers' excise taxes

Substantial changes were made in the rates applicable to certain manufacturers' excise taxes. The taxes on cameras, lenses, and films, and on electric light bulbs and tubes were reduced from 20 percent to 10 percent. The taxes on mechanical pencils, pens, and lighters, and those on sporting goods (other than fishing tackle already taxed at 10 percent) were reduced from 15 to 10 percent. The 10 percent rate applicable to refrigerators, quick freeze units, and refrigerating and freezing apparatus, and the 10 percent rate applicable to electric, gas, and oil appliances were cut to 5 percent. The tax on pistols and revolvers was reduced from 11 percent to 10 percent, and the 6 cents per gallon tax on cutting oils was retained at the 6-cent rate but may not exceed 10 percent of the price for which sold. The same limitation was imposed on the 2-cents tax per one thousand paper or plain wooden matches.

In connection with the reduction of the taxes on refrigerators, quick freeze units, refrigerator components, electric, gas, and oil appliances, and electric light bulbs and tubes, a floor stock refund or credit is allowed under specified conditions to manufacturers if they have reimbursed wholesalers, jobbers, distributors, and retailers, holding stocks of these articles on April 1, 1954. for the difference between the tax paid by the manufacturer at the old rate and the amount payable under the new rate.

### Taxes on communications, transportation, and facilities

The tax rate applicable to amounts paid for transportation of persons and for the use of seats, berths, etc., was reduced from 15 percent to 10 percent. All taxes on communications have been reduced to 10 percent. Previously, the tax was 25 percent on

telephone toll services in excess of 24 cents and on leased wire services, and 15 percent on domestic telegraph, cable, and radio dispatches, and local telephone service.

Tax on the use of safe deposit boxes was reduced from 20 to 10 percent.

### Retailers' excise taxes

The 20 percent rate on sales at retail of luggage, jewelry, furs, and toilet preparations was reduced to 10 percent. An article is not considered sold before April 1, 1954, unless possession or the right to possession passed to the purchasers before such date.

In the case of (1) a lease, (2) certain installment contracts, (3) a conditional sale, or (4) a chattel mortgage installment arrangement entered into prior to April 1, 1954, the tax rate in effect on April 1, 1954, applies to payments made on or after that date.

### Taxes on admissions, dues, and cabarets

The admissions tax on single or season tickets was reduced from 1 cent for each 5 cents or major fraction thereof to 1 cent for each 10 cents or major fraction thereof. For this purpose, 5 cents is not considered a major fraction. In general, this represents a reduction from a 20 percent to a 10 percent tax rate. The legislation exempts admissions of 50 cents or less from tax. Admissions in excess of 50 cents are subject to tax on the total admissions charge. This exemption also applies to a season ticket or subscription if the amount which would be charged for a single admission is 50 cents or less.

On admissions to horse and dog race tracks the tax rate remains 20 percent.

The 20 percent tax on charges for admissions, refreshments, services, and merchandise at cabarets, roof gardens, and similar establishments, as well as the 20 percent tax on club dues and fees, is continued unchanged.

The exemption provided under prior law for admissions to athletic games between two elementary or secondary schools, where the proceeds inure to the benefit of a hospital for crippled children, has been broadened so as to apply to athletic games between teams composed of students from elementary or secondary schools. This permits an exemption for admissions to "all-star" games in which the teams are made up of students from different elementary or secondary schools, provided that the proceeds go to a hospital for crippled children.

The new law also exempts admissions to athletic games and exhibitions, including wrestling and boxing matches, between educational institutions provided they are held during the regular athletic season for the particular activity involved and the proceeds inure to the benefit of the participating educational institutions. Admissions to post-season games, such as "bowl" games, continue to be subject to tax.

The exemption applicable to admissions to historic sites, houses, shrines, and associated museums, maintained and operated by certain nonprofit societies and organizations, has been broadened to include history, art, or science museums and planetariums, including specifically those maintained and operated by governmental units.

A new exemption is provided amateur performances presented by civic or community theater groups provided that no part of the earnings inures to the benefit of private individuals.

### Automatic rate reductions postponed

A number of excise tax rates enacted in the Revenue Act of 1951 and scheduled to expire on April 1, 1954, were continued for another year. Included in this group are the excises on automobiles, trucks, motorcycles, automotive parts and accessories, gasoline, diesel fuel, cigarettes, distilled spirits, still wines, sparkling wines, liqueurs, cordials, and fermented malt liquors. The extension of these taxes for another year is estimated to add $980 million to fiscal year 1955 revenues.

Excise tax rates prior to and after amendment by the Excise Tax Reduction Act of 1954

| Item | Prior rates | Rates as amended by Excise Tax Reduction Act of 1954 | |
|---|---|---|---|
| | | Effective April 1, 1954 | Effective April 1, 1955 |
| **Alcohol taxes:** | | | |
| Distilled spirits | $10.50 per gallon | No change | $9 per gallon |
| Distilled spirits, rectification tax | 30¢ per gallon | No change | No change |
| Wines, cordials, etc | Still wines, 17¢, 67¢, $2.25 per gallon; sparkling wines, 12¢ and 17¢ per half pint | No change | Still wines, 15¢, 60¢, $2.00 per gallon; sparkling wines, $2.00 and $3.00 per gallon[1] |
| Fermented malt liquors | $9 per barrel | No change | $8 per barrel |
| **Tobacco taxes:** | | | |
| Cigars (large) | $2.50 to $20.00 per 1,000 according to retail price | No change<br>No change | No change<br>No change |
| Cigars (small) | 75¢ per 1,000 | No change | No change |
| Cigarettes (large) | $8.40 per 1,000 | No change | No change |
| Cigarettes (small) | $4.00 per 1,000 | No change | $3.50 per 1,000 |
| Manufactured tobacco | 10¢ per pound | No change | No change |
| **Stamp taxes:** | | | |
| Issue of stocks and bonds | 11¢ per $100; 3¢ per $20 or fraction of actual value on no par stock valued at less than $100 | No change | No change |
| Transfer of stocks and bonds | 5¢ and 6¢ per $100 | No change | No change |
| Deeds of conveyance | 55¢ per $500 | No change | No change |
| Playing cards | 13¢ per pack | No change | No change |
| **Manufacturers' excise taxes:** | | | |
| Gasoline | 2¢ per gallon | No change | 1 1/2¢ per gallon |
| Lubricating oils | 6¢ per gallon | 6¢ per gallon; 10% for cutting oils | No change |
| Matches | Fancy wooden, 5 1/2¢ per 1,000; all others 2¢ per 1,000 | Fancy wooden, 5 1/2¢ per 1,000. All others, 2¢ per 1,000 but not in excess of 10% of price. | No change |
| Pistols and revolvers | 11% | 10% | No change |
| Tires and tubes | Tires, 5¢ per pound; tubes, 9¢ per pound | No change | No change |
| Automobile trucks and busses | 8% | No change | 5% |
| Passenger automobiles | 10% | No change | 7% |
| Automobile parts and accessories | 8% | No change | 5% |
| Radio and television sets and components | 10% | No change | No change |
| Phonographs and records | 10% | No change | No change |
| Musical instruments | 10% | No change | No change |
| Mechanical refrigerators, quick-freeze units | 10% | 5% | No change |
| Air conditioners | 10% | No change | No change |
| Sporting goods, fishing rods, creels, etc. | Sporting goods, 15%; fishing rods, creels, etc. 10% | 10% | No change |
| Electric, gas, and oil appliances | 10% | 5% | No change |
| Business and store machines | 10% | No change | No change |
| Cameras, lenses, and film | 20% | 10% | No change |
| Electric light bulbs and tubes | 20% | 10% | No change |
| Firearms, shells, and cartridges | 11% | No change | No change |
| Mechanical pencils, pens, and lighters | 15% | 10% | No change |
| **Retailers' excise taxes:** | | | |
| Luggage | 20% | 10% | No change |
| Jewelry | 20%, except watches retailing for $65 or less and alarm clocks retailing for $5.00 or less, 10% | 10% | No change |
| Furs | 20% | 10% | No change |
| Toilet preparations | 20% | 10% | No change |

Footnote at end of table.

Excise tax rates prior to and after amendment by the Excise Tax Reduction Act of 1954--Continued

| Item | Prior rates | Rates as amended by Excise Tax Reduction Act of 1954 | |
|---|---|---|---|
| | | Effective April 1, 1954 | Effective April 1, 1955 |
| Taxes on facilities and services: | | | |
| Admissions to theaters, concerts, etc.: | | | |
| Not over 50¢ | 1¢ for each 5¢ or major fraction thereof | Exempt | No change |
| Over 50¢ | 1¢ for each 5¢ or major fraction thereof | 1¢ for each 10¢ or major fraction thereof | No change |
| Cabarets, roof gardens, etc. | 20% of amount paid for service, food, etc. | No change | No change |
| Club dues and initiation fees | 20% | No change | No change |
| Long distance telephone; leased wires | 25% | 10% | No change |
| Local telephone; domestic telegraph, cable, radio | 15% | 10% | No change |
| Wire and equipment service | 8% | No change | No change |
| Transportation of oil by pipeline | 4 1/2% | No change | No change |
| Transportation of persons | 15% | 10% | No change |
| Transportation of property | 3%; coal, 4¢ per ton | No change | No change |
| Leases of safe deposit boxes | 20% | 10% | No change |
| Miscellaneous: | | | |
| Coin-operated devices | Annual rate: $10 per amusement device, $250 per gaming device | No change | No change |
| Bowling alleys, pool tables, etc. | Annual rate: $20 per alley or table | No change | No change |
| Wagering--occupational tax | $50 per year | No change | No change |
| Wagering--excise | 10% | No change | No change |
| Sugar | About 1/2¢ per pound | No change | No change |
| Diesel fuel, special fuels | 2¢ per gallon | No change | 1 1/2¢ per gallon |

[1] Rates for sparkling wines as restated by "Internal Revenue Code of 1954." Effective rates were not changed, but unit of taxation was changed from half pint unit to a gallon.

## Exhibit 42.--Summary of the act to revise the internal revenue laws of the United States[1]

### I. INTRODUCTION

The act to revise the internal revenue laws of the United States, approved by the President on August 16, 1954, made far-reaching changes in the structure of the Federal tax system.

The combined effect of these changes on the Government's tax revenues in fiscal year 1955 is estimated at a loss of $163 million. A reduction of $827 million in the taxes on individuals and $536 million in the taxes on corporations is largely offset by an increase of $1,200 million from the extension of the 52 percent corporate rate for another year. The revenue effect of the more important revisions effected by the 1954 code is shown in Table I.

The 1954 revenue revisions will affect a large proportion of taxable individuals and corporations. The number of taxpayers estimated to be affected by the more important changes is shown in Table II.

The rates of the individual income tax remain at the level which has been in effect since January 1, 1954. On that date these rates reverted to those which prevailed

[1] This summary describes only selected portions of the legislation. Statements contained herein may not be considered as interpretation of law to be applied in any particular case.

before the increases enacted by the Revenue Act of 1951. However, in carrying the pre-1951 rates into the new code, the normal tax and surtax rate schedules have been combined into a single individual income tax rate schedule.

The 5 percent increase in the corporation normal tax rate (from 25 percent to 30 percent) imposed by the Revenue Act of 1951 and scheduled to expire on April 1, 1954, is extended for another year. The maximum combined normal and surtax rate applicable to corporations therefore remains at 52 percent.

The new code combines the separate "basic" and "tentative" estate tax rates into a single rate schedule and thus eliminates the necessity of separately computing the basic estate tax in determining the maximum credit allowed against Federal tax liability for death taxes paid to States. This is accomplished by expressing the maximum credit as a percent of the taxable estate of the decedent.

The new code leaves excise tax rates unchanged. A number of these had been reduced by the Excise Tax Reduction Act of 1954.

TABLE 1.--Estimated revenue effect of the 1954 changes in the Revenue Code for the fiscal year 1955

[In millions of dollars]

| | Estimated revenue loss or gain (+) |
|---|---|
| Individuals: | |
| Head of family: | |
| Full split income for 2 years after death of spouse and 1/2 split income for taxpayers who support parents regardless of their place of abode | 11 |
| Dividends received: | |
| Exclusion: | |
| $50 in 1954 and subsequent years | 46 |
| Tax credit: | |
| 4 percent of taxable dividends received after July 31, 1954 | 158 |
| Total, dividends received | 204 |
| Taxation of annuities on life expectancy | 10 |
| Deduction for dependents regardless of earnings | 75 |
| Dependent deduction for members of taxpayer's household who meet the support test | 10 |
| Retirement income credit | 141 |
| Deduction of interest charge on installment contracts | 10 |
| Medical expense deduction: | |
| Increase in maximum limitation | 10 |
| Reduction in exclusion from 5 to 3 percent | 115 |
| Limitations on drugs and medicines to excess of 1 percent of adjusted gross income | + 45 |
| Total, medical expense deduction | 80 |
| Child-care deduction | 130 |
| Exemption for distributable trusts (increased from $100 to $300) | 3 |
| Premium payment test on life insurance | 25 |
| Increase charitable contribution limitation from 20 to 30 percent | 25 |
| Deduction for soil and water conservation expenditures | 10 |
| Depreciation | 73 |
| Partnerships and proprietorships taxed as corporations | 20 |
| Effect on individuals | 827 |
| Corporations: | |
| Natural resources:[1] | |
| Depletion | [2] 34 |
| Foreign income: | |
| Removal of over-all limitation on foreign tax credit | 2 |
| Depreciation | 291 |
| Net operating loss: | |
| Extend carryback to two years | 90 |
| Adjustments for dividends received and depletion | 30 |
| Total, net operating loss | 120 |
| Removal of 2 percent surtax on consolidated returns of regulated public utilities | 35 |
| Tax on earnings improperly accumulated | 10 |
| Continuation of 26 percent capital gains rate to April 1, 1955 | + 9 |
| Accounting provisions | 47 |
| Declarations and payment of estimated tax | ([3]) |
| Alcohol, distilled spirits, strip stamps | 6 |
| Effect on corporations, exclusive of rate extension | 536 |
| Extension of 52 percent corporate rate | + 1,200 |
| Grand total | 163 |

[1] A small part of this estimate applies to individuals but cannot be clearly segregated.
[2] Excludes estimate for uranium, thorium, and vanadium.
[3] No revenue effect in fiscal year 1955.

TABLE II.--Number of taxpayers affected by the 1954 changes in the Revenue Code

| | |
|---|---|
| Individuals: | |
| Full split income for head of family | 160,000 |
| Dividends received | 7,100,000 |
| Taxation of annuities on life expectancy | 800,000 |
| Deduction for certain dependents regardless of earnings | 1,300,000 |
| Dependent deduction for members of taxpayer's household who meet support test | 100,000 |
| Retirement income credit | 1,800,000 |
| Deduction of interest charge on installment contracts | 1,600,000 |
| Medical expense deduction | 8,500,000 |
| Child-care deduction | 2,100,000 |
| Premium payment test on life insurance | 10,000 |
| Increase charitable contribution limitation from 20 to 30 percent | 160,000 |
| Soil and water conservation expenditures | 500,000 |
| Depreciation | 9,600,000 |
| Taxing partnerships and proprietorships as corporations | 60,000 |
| Corporations: | |
| Natural resources, depletion | 4,000 |
| Treatment of income from foreign sources | 1,000 |
| Depreciation | 600,000 |
| Net operating loss | 50,000 |
| Removal of 2 percent surtax on consolidated returns of regulated public utilities | (1) |
| Tax on earnings improperly accumulated | (1) |
| Continuation of 26 percent capital gains rate to April 1, 1955 | 60,000 |
| Accounting provisions | 600,000 |
| Declaration payments of corporation tax | 20,000 |
| Extension of the 52 percent rate | 600,000 |
| Alcohol, distilled spirits, strip stamps | (1) |

[1] Less than 500.

The new Revenue Code is very different from its predecessor, the 1939 code. The entire code has been reorganized to bring together in the same place all materials pertaining to the same and related subject matter. The provisions relating to the taxation of individual income, business income, income from estates and trusts, gift and estate taxes, and some of the excises have been revised to remove inequities, reduce restraints on economic growth, close loopholes, and clarify the laws. Credits on account of dividend income and retirement income have been introduced into the individual income tax, and certain unincorporated businesses have been given the option to be taxed as if they were corporations. The provisions relating to administrative and procedural matters have been standardized and integrated.

The more important changes effected by the act to revise the internal revenue laws are summarized below.

## II. TAXATION OF INDIVIDUAL INCOME

The changes made by the 1954 code in individual income taxation affect the inclusion and exclusion of income items and the allowable deductions and credits, as well as the definition of some of the more basic tax concepts.

### A. Changes in basic definitions

#### 1. Income concepts for tax purposes

The new law reduces the variety and complexity of the income concepts used for tax purposes and employs terminology more meaningful to taxpayers. It eliminates the concepts of (a) "net income," which in the old law was income after deductions but before credits for exemptions, (b) "normal tax net income," which was income after deductions and exemptions but before the credit for partially tax-exempt interest, and (c) "surtax net income," which was the income to which the graduated rates applied. In place of these, the new law substitutes the concept "taxable income," which means gross income less deductions or, where the standard deduction is used, adjusted gross income less the standard deduction and the deduction for personal exemptions. This change is made possible by providing a deduction for personal exemptions instead of the prior law's credit against net income, and a credit against tax for partially tax-exempt interest in place of the prior credit against normal tax income.

The concept of "adjusted gross income," which is used for determining the standard deduction and the limits on the deduction for medical expenses, charitable contributions

and, in some instances, child care, has been carried forward from the prior law, with certain modifications in the case of employees. Adjusted gross income means gross income less trade or business expenses or, in the case of employees, reimbursed expenses, expenses for travel while away from home, transportation expenses, and expenses of salesmen whose trade or business is to solicit business for the employer away from the employer's place of business. The old law did not permit employees to deduct from gross income their nonreimbursed transportation expenses or their expenses as "outside salesmen" in determining adjusted gross income.

## 2. Head of household and surviving widow and widower

The new law revises the concept of "head of household," which accords some taxpayers half the benefits of income splitting available to married couples. Prior law defined "head of household" as a single individual who maintains in his home a child, grandchild, or any person whom he claims as a dependent. Under the new law, a taxpayer may also qualify as a "head of household" through his support of his dependent father or mother, even though they do not live in his home, if he provides over half the cost of maintaining the household which constitutes his parent's principal place of abode.

In addition, the new law provides that a single taxpayer may obtain the full benefits of income splitting (instead of one-half of these benefits, as in the case of a head of household) for two years following the death of his spouse. Qualification for this "surviving widow or widower" status depends on the taxpayer's maintaining a household as his home which is the principal place of abode for the child or stepchild for whom he is entitled to claim a deduction for personal exemption. Under prior law, upon the death of husband or wife, the surviving spouse was treated as a single individual or, if qualified, as a head of household, receiving one-half the benefits of income splitting.

## 3. Dependents

The concept of a dependent has been changed in several important respects. The new law eliminates the $600 gross income test for a child or stepchild of the taxpayer who has not attained the age of 19 or who is a student at an educational institution or pursuing an "on-farm" training program supervised by an accredited school. In addition, the new law adds to the list of those who may qualify as a dependent of the taxpayer any individual supported by the taxpayer whose principal place of abode is the home of the taxpayer and who is a member of the taxpayer's household.

Individuals may not be claimed as dependents if they are not citizens or residents of the United States. The old law provided an exception to this rule in the case of residents of contiguous foreign countries. The 1954 code expands this exception to qualify as dependents those who are residents of the Canal Zone or Panama. United States citizens who are also citizens of another country may also qualify as a taxpayer's dependent. Moreover, the taxpayer may now claim as a dependent a child who is a resident of the Philippines and who was born to or adopted by the taxpayer in the Philippines before July 5, 1946, when the taxpayer was a member of the armed forces.

Two changes have been made in the support test for determining dependency. In cases where over one-half the support of an individual is contributed by a group of taxpayers, no one of whom contributes over half the support, the dependency deduction may be assigned to any one of the group. This can be done if each member of the group would have been entitled to the exemption except for the support test, if the person designated has contributed more than 10 percent of the dependent's support, and if all other persons who have contributed more than 10 percent of the support agree in a written statement that they will not claim the exemption for that year.

In the case of a child or stepchild of the taxpayer, amounts received as scholarships will not be taken into account in determining whether or not the taxpayer provided over half the child's support.

## B. Components of gross income

The 1954 legislation made various changes affecting the inclusion in gross income of a number of income items, notably annuities, alimony payments, life insurance proceeds, and prizes and awards. It modified also the treatment of income earned over a period of years.

### 1. Annuities

The old code taxed annuitants on that part of the annual annuity equal to 3 percent of the amount paid for the contract. The excess over this 3 percent was considered a return of capital and excluded for tax purposes until the cumulative amount of the exclusions equalled the amount paid for the annuity. Thereafter the entire annuity was taxable.

The new law replaces the "3-percent rule" with the life expectancy method under which an annual exclusion is determined by relating the amount paid for the annuity to the number of years the annuitant is expected to live when the annuity payments begin. This provides for the tax-free return of capital during the annuitant's normal lifetime, and produces an excludable amount which remains constant regardless of the actual length of the annuitant's life.

In the case of an annuity contract with a refund feature, annual exclusions are based on the amount paid for the annuity, reduced by the average anticipated refund. To avoid duplicate exclusions, the investment taken into consideration in computing annual exclusions for 1954 and succeeding years is reduced by the total exclusions in years prior to 1954.

To avoid lengthy calculations where small exclusions are involved, an employee receiving a pension financed in part by his employer's contributions is not taxed under the life expectancy method if the annuity payable in the first three years equals or exceeds his own contributions. Such individuals will exclude all annuity payments until they have recovered their capital tax free; thereafter, the annuity payments will be taxable in full.

Joint and survivor annuities are governed by the same general rules as single life annuities and annual exclusions are determined by prorating the total cost of the contract over the combined life expectancy of the annuitants.

Where the survivor's annuity is subject to estate tax at the death of the first annuitant, the survivor is given a deduction from income tax to avoid double taxation under both the income and estate taxes. Under prior law, such income tax deductions were not granted but if the survivor's annuity was subject to estate tax, the survivor received a new income tax basis equal to the value for estate tax purposes.

Under prior law, amounts received on the redemption or maturity of an annuity or endowment contract were generally taxed to the extent that they exceeded the investment not previously recovered free of tax. Under the new law, dividends and proceeds (other than annuity payments) which do not constitute a complete discharge of the contractual obligation under the annuity contract are taxed in full without any exclusions if received on or after the date annuity payments begin. This avoids recomputation of the yearly annuity exclusions under the life expectancy method which would be necessary if part of such proceeds were excluded.

Proceeds received either before the annuity payments begin or in full discharge of the contractual obligation continue to be taxed only to the extent that they exceed the consideration, as under prior law. If proceeds are received in a lump sum in one year, the tax cannot exceed that which would be payable if the proceeds had been received in three equal installments: one in the year of receipt and the other two in the two preceding years. Proceeds received from face-amount certificates are specifically eligible for this averaging treatment.

### 2. Proceeds of life insurance

As under old law, life insurance proceeds payable at death are generally exempt. Proceeds paid on contracts which have been transferred for a valuable consideration before the death of the insured continue to be exempt only up to the amount of the

consideration and the premiums paid by the transferee. However, the new law makes such proceeds completely exempt if the transfer is made to the insured person, to a partner of the insured, to a partnership in which the insured is a partner, or to a corporation in which the insured is a shareholder or officer of the corporation, or as a result of certain tax-free reorganizations. This change recognizes that such transfers are generally motivated by legitimate business reasons.

The old law exempted the proceeds of life insurance paid by reasons of death even though such proceeds were paid in installments and included interest earned after the death of the insured. The new law provides that when life insurance is paid in installments, the interest portion of such installment earned after the death of the insured is to be taxed. However, the spouse of the insured is granted an annual exclusion of $1,000 of such interest.

### 3. Alimony and separate maintenance payments

Prior law taxed periodic alimony and separate maintenance payments to the recipient and allowed the payments to be deducted by the payor provided that they constituted a legal obligation imposed by a court decree or by a written agreement incident to a decree. The new code extends this treatment to (1) periodic payments made by a husband to his wife under a written separation agreement (executed after the date of enactment of the new code), even though they are not separated under a court decree, if they are living apart and file separate returns; and (2) payments received after August 16, 1954, for a wife's support under a court decree (entered after March 1, 1954), even though such payments have not been called separate maintenance payments.

### 4. Prizes and awards

The new code specifically includes in income subject to tax all prizes and awards except those made in recognition of past achievements of a religious, charitable, scientific, educational, artistic, literary, or civic nature where the recipient was selected without any action on his part and is not required to render substantial future services. Prior law contained no specific provision regarding prizes and awards. Administrative practice generally included them in income but court decisions had held certain prizes (on give-away programs and essay contests) not to be income.

### 5. Income earned over a period of years

The new law makes several changes in the treatment of income earned over a period of years. It increases from 36 to 60 months the maximum time over which income from an invention may be spread back. In addition, it reduces from 36 to 24 months the minimum period during which work must be performed by the taxpayer on an invention or artistic production in order to qualify for spreading back the income.

Another change requires a partner to have been a member or an employee of the partnership for a period of 36 months or the period during which the job was performed, to entitle him to spread back over the period of the job his share of the partnership income. In no case may the partner spread back this income to years prior to his becoming a member of the partnership or an employee of the partnership.

## C. Exclusions from gross income

The 1954 legislation clarified and in restricted areas extended the categories of income excluded from gross income for purposes of income taxation.

### 1. Sickness and accident benefits provided by employers

The new code specifies that premiums and contributions paid by employers under a plan to finance sickness and accident benefits are not taxed currently to the employees. This eliminates uncertainty as to whether such payments are taxable.

Hitherto, benefits paid to employees under insured plans were exempt from tax, while similar benefits paid under noninsured plans were taxable. The new law accords insured and noninsured employer-financed benefits identical tax treatment.

Payments to reimburse the employee for expenses incurred for the medical care of the employee, his spouse, and dependents are exempt provided the employee does not claim a medical expense deduction for such expenses. Full exemption is also granted payments received for the permanent loss or loss of use of a member or function of the body or the permanent disfigurement of the employee, his spouse, or a dependent, provided such payments are not related to the period the employee is absent from work.

Payments received by an employee under a wage continuation plan for loss of wages due to illness or injury are exempt up to a weekly rate of $100. However, such payments received during the first seven days of illness are exempted only if the employee is hospitalized for at least one day during the period of illness. No corresponding waiting period is prescribed where the absence is caused by injury or accident.

Payments received during retirement by members of the Coast and Geodetic Survey and the Public Health Service on account of service-connected injuries are exempt. This equalizes the treatment accorded members of these services with that already accorded members of the Armed Services receiving pensions on retirement for physical disability.

### 2. Employee death benefits

Prior law provided a special exclusion of up to $5,000 for death benefits paid by an employer to the beneficiaries of a deceased employee. The exclusion applied only where the employer was under a contractual obligation to pay the benefits and was denied if the employee had a nonforfeitable right to the benefit before his death.

Under the new law, the amount excludable because of the death of any employee is limited to a total of $5,000 to prevent individuals from increasing the exclusion by arranging to have two or more employers each pay $5,000 of death benefits. In addition, the death benefits are excludable regardless of whether the employer had a contractual obligation to pay them. The exclusion is also extended to lump-sum distributions paid by reason of death under a qualified pension, profit-sharing or stock-bonus plan, or qualified annuity contract, even though the employee had a nonforfeitable right to the amounts while living.

### 3. Scholarship and fellowship grants

The new code excludes from gross income, with certain limitations, scholarship and fellowship grants. The exclusion extends to the value of services and accommodations, such as room, board, and laundry, which are received as part of the grant. It also extends to amounts received for travel, research, clerical help, or equipment to the extent that they are expended for these purposes.

The exclusion, however, does not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition for receiving the grant. Services required of all candidates for a particular degree are not to be considered as part-time employment.

In the case of individuals who are not candidates for degrees (typically recipients of postdoctoral fellowships), the exclusion is limited to $300 per month for a maximum period of 36 months and is allowed only if the grantor is a tax-exempt organization or a Government agency.

Prior law contained no specific provision regarding scholarship and fellowship grants, and the status of such items, particularly fellowship grants, was not clear.

### 4. Meals and lodging furnished by the employer

The new code clarifies the so-called "convenience of the employer" rule which hitherto has been covered in rulings and regulations. It provides a clear-cut rule that meals furnished to an employee on the business premises of the employer for the convenience of an employer are exempt from tax. It provides further that lodging furnished to an employee on the business premises of the employer for the convenience of the employer is exempt provided the employee is required to accept the lodging as a condition of employment.

The new code also eliminates variations in the treatment of similar benefits due to technical differences in State legislation. It specifies that the provisions of an employment

contract or a State statute fixing the terms of employment are not to determine whether meals or lodging are intended as compensation.

### 5. Combat pay

The new law continues the provision of prior law which excludes combat pay of members of the Armed Forces serving in combat zones or hospitalized as a result of wounds, disease, or injury incurred while serving in such a zone, and extends it to any period during which individuals are liable for induction into the Armed Forces of the United States for training and service. Under prior law, this exclusion was available only for service in a combat zone between June 24, 1950, and January 1, 1955.

### 6. Other exclusions

The new law provides an exclusion from gross income not to exceed $5 per day for subsistence allowances paid to officers of a police department of a State, Territory, the District of Columbia, or a possession. The prior law contained no provision for the exclusion of these subsistence allowances.

The new law also extends the provision of prior law which excluded from the gross income of a minister of the gospel, the rental value of a home furnished him as part of his salary, to permit the exclusion of any rental allowance included in his salary, to the extent used to rent or provide a home.

## D. Deductions from gross income

The 1954 revisions made far-reaching changes in a number of the deductions allowed from gross income in arriving at taxable income, including those for medical expenses, interest charges on installment contracts, and charitable contributions. A deduction for child-care expenses is provided for the first time.

### 1. Medical expenses

The new law allows the deduction of medical expenses in excess of 3 percent of adjusted gross income instead of those in excess of 5 percent permitted by prior law.

The upper limits on the amount of the deductions for single persons and married persons filing separate returns are increased from $1,250 to $2,500 per exemption, with a maximum deduction of $5,000 instead of $2,500. In the case of joint returns, the maximum limitation is raised from $5,000 to $10,000 and for a head of household or surviving spouse, from $2,500 to $10,000.

The new law permits the inclusion in medical expenses of amounts spent for drugs and medicines only to the extent they exceed 1 percent of the taxpayer's adjusted gross income. New language in the code also clarifies the deduction of travel expenses incurred in connection with receiving medical care by limiting the deduction to expenses for transportation essential for medical care. Expenses for food and lodging are not deductible.

In the case of the final income tax return of a decedent, the new law permits the deduction of medical expenses paid out of his estate within one year from the date of his death. This deduction is not permitted where the amount is also allowable in computing the net estate of the decedent for estate tax purposes, unless a statement is filed that it is not in fact being so deducted.

### 2. Child-care expenses

A new deduction is allowed on account of expenses paid by a working woman or widower for the care of a dependent child or stepchild under 12 years of age, or for the care of any dependent who is physically or mentally incapable of caring for himself. The care must be for the purpose of enabling the taxpayer to be employed. The deduction, which may be claimed only if the taxpayer itemizes his deductions, is limited to $600. It is not allowed for amounts paid to a person whom the taxpayer claims as a dependent.

In the case of a working wife, the deduction is allowed only if she files a joint return with her husband, and the deduction is reduced by the amount by which the combined

adjusted gross income of husband and wife exceeds $4,500, except where the husband is incapable of self-support because physically or mentally incapacitated.

### 3. Interest on installment purchases

The new code provides specifically a deduction for interest included in carrying charges on installment purchases. Prior law contained no specific reference to interest on installment purchases, and administrative practice allowed a deduction for such interest only if the interest element was separately stated under the purchase contract. The new provision permits the deduction of such amounts even though the actual interest is not separately stated, provided the carrying charges are separately stated; however, in such cases the deduction is limited to 6 percent of the average unpaid balance due under the contract during the taxable year.

### 4. Real estate taxes and special assessments

In the case of a sale of real property, the new law requires the deduction of property taxes paid to be apportioned between the seller and the buyer on the basis of the proportionate part of the property tax year during which each held the property. Under prior law, the deduction for property taxes was permitted to the owner of record on the lien date, even though, in the case of sale during the year, the tax was apportioned by the sales contract between the buyer and seller. This sometimes had the effect of denying the purchaser of real property a current deduction for property taxes which he assumed and paid.

The new code provides an exception to the general rule that taxes assessed against local benefits of a kind tending to increase the value of the property (special assessments) are deductible only if levied for interest charges or maintenance costs. It extends the deduction to any type of assessments (including those levied for debt retirement and capital purposes as well as those levied for interest charges or maintenance costs) made by a special improvement district meeting specified requirements. The special district must cover the whole of at least one county, the assessments must be levied on at least 1,000 persons, and they must be levied annually at a uniform rate on the same assessed valuation of real property, including improvements, as that used for general property tax purposes.

### 5. Hobby losses

The new law includes several additional limitations on the application of the so-called "hobby loss" provision, which in certain cases denies individuals the deduction of operating losses from a trade or business. Where deductions with respect to a trade or business have exceeded gross income by more than $50,000 for each of five consecutive years, the old law required that income be recomputed disallowing deductions in excess of gross income plus $50,000. In computing the amount of the taxpayer's loss for purposes of determining whether the $50,000 limitation applies, the new code excepts from deductions taken into account not only taxes and interest (as under prior law), but also casualty and abandonment losses connected with the trade or business, losses and expenses of farming directly attributable to drought, the net operating loss deduction, and expenditures which the taxpayer may elect to expense or capitalize.

### 6. Interest on a single-payment annuity

The deduction of interest on indebtedness incurred to purchase a single-premium annuity contract is now disallowed. This new provision extends to a single-premium annuity contract the treatment provided under prior law for interest on indebtedness incurred to purchase a single-premium life insurance or endowment contract.

The new code also treats as a single-premium contract an amount deposited with an insurer for payment of a substantial number of future premiums on a life insurance, endowment, or annuity policy, and allows no interest deduction on indebtedness to purchase or carry such a contract.

### 7. Charitable contributions

The new code raises the limit on the amount of the deduction allowed individuals on account of charitable contributions. Prior law limited the amount of the deduction to 20 percent of the taxpayer's adjusted gross income. The new provision allows the 20 percent limitation to be exceeded to the extent that this excess represents contributions to hospitals, churches, or educational institutions. However, this excess may itself not exceed in the aggregate 10 percent of adjusted gross income.

### 8. Cooperative housing

Prior law treated tenant stockholders in a cooperative apartment corporation as homeowners and allowed them to deduct property taxes and interest paid to the cooperative apartment corporation. The new code extends this treatment to stockholder-tenants in a cooperative development of houses.

## E. Credits against tax

A new feature of the individual income tax is the provision of credits against tax liability on account of retirement and dividend income.

### 1. Credit for retirement income

The new law permits a credit against tax liability on account of retirement income. The credit is equal to 20 percent of the amount of the retirement income up to $1,200 and may not exceed $240 (20 percent of $1,200) or the tax otherwise due. To qualify for the credit, the taxpayer or the deceased spouse of a widow or widower must have received earned income in excess of $600 in each of any ten calendar years before the beginning of the taxable year. The code expresses the rate of the credit (20 percent) as equivalent to the first bracket tax rate and it will, therefore, increase and decrease with any future increase or decrease in the tax rate applicable to the first bracket of taxable income.

In the case of an individual over 65 years of age, "retirement income" is defined as income, to the extent included in gross income, from pensions, annuities, interest, rents, and dividends. For a taxpayer under 65, it is defined as income, to the extent included in gross income, from pensions and annuities received under a public retirement system (but not including one established by the United States for members of the Armed Forces).

The amount of the retirement income which may be taken into account for purposes of the credit computation must be reduced by any amount excluded from gross income as a pension or annuity under the Social Security Act or Railroad Retirement Act, and any other tax-exempt pensions or annuities. (This reduction does not apply to that part of a pension or annuity which is excluded from gross income as a return of capital nor to amounts excluded as life insurance or as compensation for sickness or injuries.) Retirement income for an individual under 75 years of age must also be reduced by the amount of earned income in excess of $900. The operation of the credit for retirement income is illustrated by the following example:

| | |
|---|---|
| An individual who is 70 receives: | |
| Interest and rental income | $1,300 |
| Social security benefits | 500 |
| Earned income | 1,200 |
| Credit computed as follows: | |
| Retirement income for purposes of credit computation (first $1,200 of $1,300 of interest and rent) | 1,200 |
| Less: Reduction for social security benefits | 500 |
| Reduction for earned income in excess of $900 | 300 |
| Base for computation of credit ($1,200-$800) | 400 |
| Credit against tax liability (20 percent of $400) | 80 |

### 2. Credit for dividends received from domestic corporations

The new law permits individual taxpayers to exclude from gross income the first $50 of dividends received annually from domestic qualifying corporations. If a joint return is filed and both husband and wife have dividend income, each may exclude up to $50 of his dividends.

In addition, the new law provides a credit against income tax in an amount equal to 4 percent of the dividends above the $50 exclusion received from qualifying corporations after July 31, 1954, and included in gross income. The credit may not exceed the lesser of (a) the total income tax (reduced by any foreign tax credit which may be claimed) or (b) 4 percent of taxable income (2 percent for taxable years ending in 1954).

The dividend exclusion and credit do not apply in the case of dividends received from (a) life insurance companies, (b) mutual insurance companies, (c) China Trade Act corporations, (d) tax-exempt organizations, (e) regulated investment companies (except to the extent of a distribution that the company is required to designate as an amount to be taken into account as a dividend), (f) mutual savings banks and savings and loan associations, (g) foreign corporations, and (h) corporations in general deriving 80 percent or more of their income from United States possessions and 50 percent or more of their income from business activity therein. Patronage dividends from cooperatives are also ineligible for the credit. The exclusion and the credit are not available, in general, to nonresident aliens not enaged in trade or business in the United States and with gross income not over $15,400.

## III. TAXATION OF BUSINESS INCOME

The 1954 legislation made important changes in the taxation of business income. It liberalized and clarified the provisions relating to several important deduction items including depreciation, research and experimental expenditures, soil and water conservation expenditures, loss carryovers, and organizational expenses. It also recast the structure of depletion and related allowances for the mining and natural resource industries. The provisions relating to pension, profit-sharing, and stock-bonus plans, consolidated returns, and surplus accumulations have been modified. Changes have also been made in the tax treatment of regulated investment companies, personal holding companies, and tax-exempt organizations. The tax treatment of corporate distributions, liquidations, and reorganizations has been substantially revised and integrated. The accounting provisions of the code have been brought more nearly into line with business practice and the rules governing the taxation of partnerships have been revised. Unincorporated business has been granted for the first time the option to be taxed as if it were a corporation. The temporary life insurance company tax provisions in effect since 1951 have been continued for 1954. The 1954 changes in the capital gains and loss provisions applicable to both individuals and businesses are described in another section (V.) of this summary.

### A. Items affecting the measurement of business income

### 1. Depreciation

The new code provides greater latitude in the selection of methods of depreciation to be used for tax purpose with the result that a more rapid write-off of the tax basis of property may be taken in the earlier years of its useful life. Express provision is made for use of the straight-line method, the declining-balance method at a rate not in excess of 200 percent of the corresponding straight-line rate, the sum-of-the-years-digits method, or any other consistent method which at the end of each year during the first two-thirds of the useful life of the asset does not result in accumulated allowances in excess of those under the 200 percent declining-balance method.

Allowances under three methods of depreciation permitted under the new code are illustrated in table III.

Taxpayers using the declining-balance method may change at any time to the straight-line method, using as a basis therefor the unrecovered cost less estimated salvage and the remaining life of the asset at the time of the switch. This provision is designed to offset the relatively slow accumulation of allowances in the latter years of an asset's useful life and the relatively high salvage value attributed to an asset which is inherent in the use of the declining-balance system.

TABLE III. --Comparison of depreciation deductions and accumulated reserve resulting from (1) straight-line, (2) 200 percent declining balance (10)percent), and (3) sum of the years' digits method, for an asset costing $10,000 with estimated salvage value of $500 and estimated life of 20 years

| year | Straight-line 5 percent | | 200 percent declining balance - 10 percent | | Sum of the years' digits | | |
|---|---|---|---|---|---|---|---|
| | Annual deduction | Cumulative | Annual deduction | Cumulative | Fraction | Annual deduction | Cumulative |
| 1 | $475 | $475 | $1,000 | $1,000 | 20/210 | $905 | $905 |
| 2 | 475 | 950 | 900 | 1,900 | 19/210 | 860 | 1,764 |
| 3 | 475 | 1,425 | 810 | 2,710 | 18/210 | 814 | 2,579 |
| 4 | 475 | 1,900 | 729 | 3,439 | 17/210 | 769 | 3,348 |
| 5 | 475 | 2,375 | 656 | 4,095 | 16/210 | 724 | 4,072 |
| 6 | 475 | 2,850 | 591 | 4,686 | 15/210 | 679 | 4,750 |
| 7 | 475 | 3,325 | 531 | 5,217 | 14/210 | 633 | 5,384 |
| 8 | 475 | 3,800 | 478 | 5,695 | 13/210 | 588 | 5,972 |
| 9 | 475 | 4,275 | 431 | 6,126 | 12/210 | 543 | 6,515 |
| 10 | 475 | 4,750 | 387 | 6,513 | 11/210 | 498 | 7,012 |
| 11 | 475 | 5,225 | 349 | 6,862 | 10/210 | 452 | 7,465 |
| 12 | 475 | 5,700 | 314 | 7,176 | 9/210 | 407 | 7,872 |
| 13 | 475 | 6,175 | 282 | 7,458 | 8/210 | 362 | 8,234 |
| 14 | 475 | 6,650 | 254 | 7,712 | 7/210 | 317 | 8,550 |
| 15 | 475 | 7,125 | 229 | 7,941 | 6/210 | 271 | 8,822 |
| 16 | 475 | 7,600 | 206 | 8,147 | 5/210 | 226 | 9,048 |
| 17 | 475 | 8,075 | 185 | 8,332 | 4/210 | 181 | 9,229 |
| 18 | 475 | 8,550 | 167 | 8,499 | 3/210 | 136 | 9,364 |
| 19 | 475 | 9,025 | 150 | 8,649 | 2/210 | 90 | 9,455 |
| 20 | 475 | 9,500 | 135 | 8,784 | 1/210 | 45 | 9,500 |

The new depreciation rules are restricted to tangible assets with a useful life of three years or more and to new assets constructed or acquired after December 31, 1953. In the case of property partially constructed prior to January 1, 1954, the liberalized methods may be applied only to that portion of the basis attributable to construction after December 31, 1953, except in the case of a taxpayer who acquires the completed property after this date and who is also the original user of the property. Used or second-hand property may not be depreciated under the new methods.

Prior law provided for a depreciation allowance but prescribed no specific method of depreciation. The most frequently used method was the straight-line method, but other methods were allowed by regulation and ruling, including the unit-of-production method. The declining-balance method was also permitted if the rate did not exceed 150 percent of the corresponding straight-line rate.

In order to provide taxpayers with greater certainty in regard to allowable deductions, the new code provides that if the taxpayer and the Internal Revenue Service enter into a written agreement as to the rate of depreciation for any property, the rate agreed on shall be binding on both parties in the absence of facts or circumstances not taken into account in making the agreement. Any party wishing to change the agreement is responsible for establishing the existence of facts not previously taken into account and any changes are to be prospective only. Prior law contained no provision for such agreements, but the policy was to make adjustments to established rates of deductions only if there was a clear and convincing basis for a change.

## 2. Loss carryovers

Under prior law, operating losses not absorbed by income derived in the current year could be carried back for one year and any additional operating losses not offset by

the carryback could be carried forward for five years. The new law increases the carryback period to two years, so that operating losses can now be spread over an eight-year period.

The new code also changes the computation of the amount of loss carried back or forward, and of the amount of income against which the loss may be offset in the years to which it is carried. Under prior law, a net operating loss was reduced by certain adjustments in both the loss year and the year to which carried. Thus, tax-exempt interest received in the year of a net operating loss was taken into account to reduce the amount of the carryover. Similarly, tax-exempt interest received in the year to which a net operating loss was carried over increased the income of that year for purposes of determining whether there was any residual net loss to be carried over to another year. Prior law required similar adjustments for the excess of percentage depletion over cost depletion, and for dividends received by one corporation from another. The new law eliminates or modifies these adjustments. However, adjustments for certain other items, such as capital gains and losses (of individuals), and personal exemptions, are required with respect to the loss year and with respect to each year through which the loss is carried.

In addition, the new law permits losses incurred by an individual from the sale of a business or from the sale of part of the assets of a business, such as depreciable property or land, to be carried over against income of other years. Previously, this was not allowed.

### 3. Research and experimental expenditures

The new code gives taxpayers the option to deduct research and experimental expenditures as an expense or to treat them as deferred expenses and amortize them. Where the useful life of the results is determinable, as in the case of patents, the old provision permitting amortization over the useful life is retained. Where the useful life is not determinable, the new code permits amortization over not less than 60 months beginning with the month in which benefits from the expenditures are first realized. The option to expense or amortize is not applicable to land or depreciable or depletable assets used in experimentation work. Prior law contained no specific statutory rules on the treatment of research and experimental expenses.

### 4. Soil and water conservation expenditures

Expenditures made by farmers for permanent improvement of land have in the past not been deductible as current expenses. They were required to be capitalized, and since land is not depreciable were recoverable only on sale of the land.

Under the new law farmers may elect to deduct as current expense amounts spent for soil and water conservation and for the prevention of land erosion. The expensing provision applies to a wide range of expenditures on land used for farming but not for improvements subject to an allowance for depreciation. Such expensing is also allowed with respect to special assessments levied by a soil or water conservation or drainage district to finance expenditures made by such district for purposes which would qualify for the deduction if made by the farm operator himself.

The deduction in any year is limited to 25 percent of gross income derived from farming in that year. However, any excess expenditures may be carried over to succeeding years.

### 5. Accounting provisions

The new code, as well as prior law, contains sections devoted to accounting periods and methods of accounting. While certain provisions are carried over from prior law, a number of changes were made to remove divergencies between computation of income for tax purposes and for business purposes that had grown up in the past. These differences related chiefly to the timing of the receipt of income and of the deduction of expenses.

The new tax rules permit a taxpayer to use a 52-53 week fiscal year if in keeping his books he regularly computes income on the basis of a period which is either 52 or 53 weeks always ending on the same day of the week. Previously, use of the 52-53 week fiscal period had been denied to taxpayers although many used it in keeping their financial records.

Taxpayers also are permitted to use a combination of accounting methods in keeping their records for tax purposes provided such combination results in a clear reflection of income. Prior law and regulations made no provision for hybrid accounting methods.

Three significant new options are given accrual-basis taxpayers. The first permits them to spread prepaid income related to liabilities of future years over the period of the liability, but generally for a period of not more than five years beyond the year of receipt. The second permits deduction of reasonable additions to reserves for estimated future expenses related to current year income. The reserve method is allowed only for costs and expenses which can be estimated with a reasonable degree of certainty. Finally, accrual taxpayers may deduct real property taxes ratably over the period for which the tax is levied.

Previously, prepaid income generally had to be accounted for in the year of receipt or accrual and, except for bad debts, reserves for future expenses were not permitted. Prior law required the deduction of real estate taxes on the date liability therefor accrued, even though liability accrued prior to the period to which the tax was related.

Permission to use the installment method of reporting income in the case of sales of real property, or casual sales of personal property for a price in excess of $1,000, is granted even though there is no payment made in the year of sale. Previously, even though the sales price was paid in installments, the seller had to report the income in its entirety in the year of sale if no payments were made in that year. Both the new code and prior law restrict the installment method for these sales to cases where the payments during the year of sale do not exceed 30 percent of the selling price.

Where a taxpayer changes from one accounting method to another, except in the case of a change from the accrual to the installment method, the new rules provide for transitional adjustments to be made in the year of the change to prevent items from being duplicated or omitted from taxable income. The rules, however, bar any part of these adjustments which are based on incorrect accounting methods applied in years not covered by the new bill. If the change in method results in an increase in the taxable income in the year of change of more than $3,000, the taxpayer may, if such computation is to his advantage, recompute the additional tax due under one of two alternatives, depending on past accounting practices or figures available. Under one option, he may spread the adjustments equally over the year of change and the two preceding years. Under the second alternative, he may compute the tax due on the additional income as though it had been earned in prior years to which it is properly allocated under the method of accounting to which the change is made.

Previously, taxpayers who desired to change their accounting methods were required to make adjustments to prevent double deductions or inclusions and some of these changes resulted in a "bunching" of income. But where the change in accounting method was involuntary, certain court cases denied the right of the Internal Revenue Service to require adjustments.

Taxpayers changing from the accrual to the installment method of accounting in the past have been faced with double taxation because they had to report installment receipts as income after the changeover even though they had already been reported as income when on the accrual method. Under the new code, the income must be reported twice, as before, but the double taxation is alleviated by a tax credit in the year in which the installment income is included the second time.

### 6. Organizational expenses

The new code gives corporations the option to amortize certain organizational expenses over a period of not less than 60 months, beginning with the month in which

the corporation first begins business. Previously, expenses incurred on behalf of a corporation prior to the date of its charter were not deductible. They could be amortized when their useful life could be determined by reference to a limited term of existence for the corporation as specified in the corporation charter. Where the corporate charter was perpetual, organizational expenses generally could be recovered for tax purposes only in the year of liquidation. The new provision, however, is not applicable to the professional fees and other expenses incurred in connection with stock issues or transfers of corporate assets in reorganizations.

### 7. Natural resources

The new code generally continues the prior law methods of treating income from natural resources, but extends the coverage of percentage depletion to include all minerals, increases a number of percentage depletion rates, and broadens some definitions of terms used in the application of such rates.

Percentage depletion is allowed at rates indicated below on the gross income from the mineral property but, as under prior law, percentage depletion may not exceed 50 percent of the net income from the property. The extension of percentage depletion to all depletable mineral properties permitted the elimination from the new code of discovery value depletion provisions which previously provided an alternative to cost depletion for some mines. In all cases, the owner of a depletable mineral property will now be entitled to deduct the larger of the allowances computed on the basis of cost or percentage depletion.

(a) Percentage depletion rates on gross income.--The new code increases a number of the percentage depletion rates allowed on gross income. The new schedule is as follows:

i. The 27-1/2 percent rate for oil and gas wells is continued unchanged.

ii. A 23 percent rate is allowed sulfur and uranium, and if from deposits in the United States, to anorthosite (to the extent alumina and aluminum compounds are extracted therefrom), asbestos, bauxite, beryl, celestite, chromite, corundum, fluorspar, graphite, ilmenite, kyanite, mica, olivine, quartz crystals (radio grade), rutile, block steatite talc, and zircon, and ores of the following metals: antimony, bismuth, cadmium, cobalt, columbium, lead, lithium, manganese, mercury, nickel, platinum and platinum group metals, tantalum, thorium, tin, titanium, tungsten, vanadium, and zinc.

Under the earlier law, only sulfur received the 23 percent rate. Uranium and sulfur now receive this rate irrespective of where produced, but the other minerals listed in (ii) above receive this rate only if produced domestically. Of the other minerals listed in (ii) above, anorthosite, celestite, chromite, corundum, ilmenite, kyanite, olivine, rutile, and zircon were not specifically named in the law as being entitled to percentage depletion. However, any of such minerals were entitled to depletion at the 15 percent rate if reduced to metallic uses. The other minerals listed above in (ii) had been entitled to 15 percent, except that in the case of graphite only flake graphite was eligible; quartz crystals and block steatite talc were not specifically listed but the 15 percent rate applied to quartzite and talc generally; and asbestos was entitled to only 10 percent depletion.

iii. A 15 percent rate is continued for ball clay, bentonite, china clay, sagger clay, metal mines (if not included in ii above), rock asphalt and vermiculite.

iv. A 10 percent rate is allowed asbestos not from domestic mines, brucite, coal, lignite, perlite, sodium chloride, and wollastonite.

Under prior law sodium chloride received 5 percent depletion, and lignite was covered only by an interpretation that it is a grade of coal. The others in this group were entitled to the same 10 percent rate.

v. A 5 percent rate is allowed (1) brick and tile clay, gravel, mollusk shells (including clam shells and oyster shells), peat, pumice, sand, scoria, shale, and stone, except stone used as dimension stone or ornamental stone, and (2) if from brine wells, to bromine, calcium chloride, and magnesium chloride.

With two exceptions, all of these materials received the 5 percent rate under prior law. Peat is an addition to the list. The general term mollusk shells is also new,

giving broader coverage than the previous specific listing of only clam and oyster shells. While the 5 percent rate is unchanged for stone put to general use, the higher rate is applicable if it meets the new use test discussed below.

vi. A 15 percent rate is allowed all other minerals (including but not limited to aplite, barite, borax, calcium carbonates, refractory and fire clay, diatomaceous earth, dolomite, feldspar, fullers earth, garnet, gilsonite, granite, limestone, magnesite, magnesium carbonates, marble, phosphate rock, potash, quartzite, slate, soapstone, thenardite, tripoli, trona, and (if not included in ii above) bauxite, beryl, flake graphite, fluorspar, lepidolite, mica, spodumene, and talc, (including pyrophyllite), except that, unless sold on bid in competition with a mineral listed in iii above, the percentage is 5 percent for any such other mineral when used, or sold for use, by the mine owner or operator as riprap, ballast, road material, rubble, concrete aggregates, and similar purposes.

The term "all other minerals" excludes soil, sod, turf, water, mosses or minerals from sea water, the air, or similar inexhaustible sources.

All of the minerals covered under vi are subject to a use test. Those used or sold for use by the mine owner or operator as coarse stone for purposes such as road building or fills or for uses commonly competitive with sand and gravel, are allowed only 5 percent depletion, which is the rate formerly allowed stone. But stone which is used for dimension or ornamental purposes or any of the other minerals enumerated under vi when used for purposes for which their chemical or mineralogical properties are a major requirement, are allowed 15 percent.

Most of the specified nonmetallics in this last category were entitled to the 15 percent rate under the old law. The exceptions were calcium carbonates, dolomite, magnesite, and magnesium carbonates, which had received 10 percent, and granite, marble, and slate, which had received 5 percent. Metallurgical and chemical grade limestone, which had been specifically entitled to 15 percent, is now included within the general category of limestone, and soapstone and dimension or ornamental stone are listed for the first time. Any mineral not specifically granted percentage depletion is also covered by this subsection and, subject to the stone use test, is generally eligible for the 15 percent rate.

(b) Definition of income from property.--As under prior law, the gross income rates referred to above are applied to the "gross income from the property." This is defined as gross income from mining, and "mining" in turn is defined as the extraction of minerals, the "ordinary treatment processes" normally applied by mine owners or operators to obtain commercially marketable products, and certain transportation.

The new code makes the following amendments in these definitions: (a) Ordinary treatment processes include burning of magnesite, fine pulverizing of talc, dust allaying and treating to prevent freezing of coal, and sintering and nodulizing of phosphate rock. (b) Sulfur processing is specifically related to the Frasch process, so that the general rule for ordinary treatment processes is to be available for sulfur produced in other ways. (c) Income from mining is given a wider meaning of defining mining to include the extraction by mine owners or operators of minerals from waste or residue of prior mining. Thus, depletion allowances are made available for the first time on production from dumps or mine tailings which belong to the mine owners or operators.

(c) Definition of mineral property.--The new code provides for the first time a statutory definition of a mineral property. In general, administrative regulations under prior law had stated that each separate interest owned by the taxpayer in each mineral deposit in each separate tract or parcel of land constituted a property. Taxpayers could combine separate properties if included in a single tract or parcel. The new law adopts this former administrative definition for a general rule and provides special rules for the aggregation of mineral interests into one property. A taxpayer owning operating mineral interests which constitute part or all of an operating unit may elect to form one aggregation of any two or more of such interests and treat the aggregation as a single property whether or not in a single tract or parcel of land. Owners of separate nonoperating mineral interests, such as royalties, in a single

tract or contiguous tracts of land are permitted to treat all such interests as one property, provided the owners show the aggregation to be necessary to prevent undue hardship. These aggregations of interests are effective for income tax purposes generally and may not be altered without consent of the Secretary of the Treasury.

(d) Exploration expenses.--The new code raises from $75,000 to $100,000 the limitation on annual exploration expenses which a taxpayer may elect to deduct currently or to defer to be deduced ratably when the mineral is sold. As under prior law, the privilege of so treating mine exploration expenses continues to be available only in any four years.

(e) Gain or loss on timber.--Under prior law a taxpayer who owned or had contract rights to cut timber could elect to treat the cutting of timber as a sale or exchange. Similarly, a taxpayer who owned timber could treat his receipts from its disposition as capital gain. This treatment is continued in the new law with the following changes: (i) the date of disposal for timber is to be the date the timber is cut unless the timber is paid for prior to cutting, and in the latter case the taxpayer may elect to treat either the date of payment or of cutting as the date of disposal; (ii) a sublessor may be treated as an owner; and (iii) capital gains treatment is extended to gains from the sale of evergreen trees more than six years old when severed from the roots and sold for ornamental purposes.

(f) Gain or loss on coal.--The new code continues to treat the receipt of coal royalties as capital gains. However, a new provision identifies (i) certain expenses in connection with making and administering leases which are to be treated as an adjustment to the basis and an offset against capital gains, and (ii) certain other expenses which are properly deductible from ordinary income. The capital gains treatment is also extended to include a sublessor.

## B. Special structural features

### 1. Partners and partnerships

The new code contains a detailed statutory treatment of the tax consequences of doing business in the partnership form. The provisions contained in the old law were fragmentary in nature. In most cases reliance was placed upon regulations, rulings, and court decisions which did not completely cover the field and were sometimes contradictory.

As under prior law, partnerships as such are not subject to tax. The individual members are taxed on their respective shares of the income realized by the partnership. In continuing this general practice for the future, the new law lays down a body of statutory rules with respect to such matters as: whether there has been realization of income in transactions between a partnership and a partner, how income should be apportioned, and when it should be reported.

In general, the income of a partnership is computed, as before, in accordance with the usual inclusions in gross income and the ordinary business deductions, and the resulting income or loss is allocated among the partners on the basis of the partnership agreement. However, some items now have to be segregated on the partnership books, and the transactions involving them are treated as if they were carried out by the individual partner in proportion to his interest without the intervention of a partnership. This is necessary in cases where the extent of a deduction, an exclusion, or a credit is based on the partner's status. Options affecting partnership incomes which are generally allowed taxpayers, except with respect to the foreign tax credit, now have to be exercised at the partnership level.

(a) Taxable year and termination.--Partnerships and partners (subject to limitations affecting individual taxpayers generally) may adopt or change to any tax year they choose provided the principal partners (those owning a 5 percent interest or more) and the partnership use the same year. Departures from this rule must have a business purpose satisfactory to the Secretary of the Treasury.

A partnership will not be considered as having ended merely because a partner terminates his interest or because a new partner has been admitted. If a partnership discontinues operations, or if 50 percent or more of the total interest in the partnership changes hands within a year, then it will be considered to have been terminated.

(b) Partner's distributive share.--A partner's distributive share of partnership income, loss, deduction, or credit is to be determined by the terms of the partnership agreement. But if the provision in the agreement is for the purpose of tax avoidance or evasion, then the distributive share is to be determined by the method used to allocate income generally.

As a general rule, the allocation of deductions or of gain or loss with respect to property contributed by a partner is to be made as if the property had been purchased by the partnership. Thus, suppose property with a tax basis of $50 is contributed by one of two equal partners to a partnership at a time when the property has a market value of $100. Suppose also that the property is subsequently sold for $150. The gain of $100 would be allocated equally between the two partners, even though the property had a basis of only $50 to the contributing partner and hence a basis of only $50 to the partnership for depreciation and capital gains purposes. However, if the partnership agreement so provides, and in accordance with regulations prescribed by the Secretary, the gain in such a case may be allocated on other than a fifty-fifty basis, to reflect the fact that there was difference between the market value and the tax basis of the property, and that the gain arising from the transaction was greater to one partner than to the other by virtue of that difference in value.

(c) Basis of a partner's interest.--The basis of a partner's interest in a partnership, for purpose of determining gain or loss on the transfer of his interest or on dissolution of the partnership, is to be determined as in the past by adding to his contributions his share of the partnership income and subtracting his share of the partnership loss and distributions. Partnership income, for this purpose, includes income which may not have been taxable to the partner, such as the excess of percentage depletion over cost depletion. Where his contributions include property, it is to increase the basis of his interest by its adjusted basis at the time of the contribution.

An alternative method permits a partner to ascertain the basis of his interest by reference to his share of the adjusted basis of the partnership property upon termination of the partnership.

(d) Transactions between partner and partnership.--Transactions between a partner and a partnership are generally treated as if they were between two unrelated entities. However, as a safeguard against some types of manipulation, a rule was adopted which has been in use in connection with transactions between a corporation and its stockholders. Under this rule, a capital gain is not recognized in a transaction involving depreciable property with a partner when he has an interest of 80 percent or more in the partnership. Instead the gain is treated as ordinary income. Where the transaction produces a loss, a deduction for the loss is disallowed if the partner involved in the transaction has a partnership interest of more than 50 percent.

Where a partner is guaranteed payment for services or the use of capital, independently of partnership income, such payments are considered as having been made to a person who is not a partner.

(e) Distributions by a partnership.--The income of a partnership is taxed to the partners currently, irrespective of any distribution of profits by the partnership. However, problems may arise when a distribution is made by a partnership and the new law establishes rules for determining the taxable status of such distributions.

Distributions of money by a partnership to a partner in excess of his basis are taxable to the recipient. Losses are not recognized upon a distribution, except in liquidation of the partner's interest where the distribution consists only of money, receivables and inventory. When a distribution is made in liquidation of a partnership interest, the recognized gains and losses are generally to be treated as arising from the sale or exchange of capital assets.

Property received by a partner in a nonliquidating distribution retains the same basis as it had in the hands of the partnership, except that it may not exceed the adjusted

basis of the partner's interest in the partnership. Where a distribution of property is made to a partner in liquidation of his interest, the property acquires the same basis as his interest in the partnership. However, inventory and receivables are carried over at the partnership basis.

If the interest in a partnership is acquired by purchase or exchange, the basis of partnership property may be adjusted to reflect the difference between the basis of the transferor's interest and the basis of the transferee's interest in the partnership. Such an adjustment, however, affects the transferee partner only. The partnership property retains its former basis with respect to the other partners.

The partnership, as such, may also adjust the basis of property which it holds, if it has made a distribution of property to a partner, in partial or complete liquidation of his interest, to reflect a recognized gain or loss to the distributee.

(f) Transfer of partnership interest.--Generally the gain or loss on sale or exchange of an interest in a partnership is to be treated as a capital gain or loss. However, to the extent that payment for the interest is attributable to (a) unrealized receivables of the partnership and (b) inventory items which have appreciably increased in value, it is to be treated as ordinary income.

Amounts paid to a retiring partner (or to his estate) are to be considered a distributive share of partnership income, if based upon partnership income, or a guaranteed payment if payable irrespective of partnership income, and are taxable in accordance with the rules applicable to such income. However, a payment made to liquidate a partner's interest in the partnership is considered a distribution rather than a distributive share of partnership income or a guaranteed payment.

## 2. Taxation of partnership as a corporation

An important innovation of the new law is to offer an election to certain unincorporated business enterprises to be taxed as a corporation. The objective of this provision is to reduce the differential tax consequences of different forms of business organizations.

To qualify for the election, an unincorporated business must be owned either by a sole proprietor or by a partnership with 50 or fewer individual members. It must be one in which capital is a material income-producing factor or it must derive at least 50 percent of its income from selling property or from brokerage commissions. To restrict this optional tax treatment to operating business profits, personal holding company income such as dividends, interest, and royalties is excluded from the corporate tax treatment and is taxed directly to the proprietors as if an election had not been made.

Once made, the option to be taxed as a corporation is irrevocable unless there is a change in the membership of a partnership by more than 20 percent.

## 3. Corporations improperly accumulating surplus

The new code continues the special tax on corporations formed or availed of for the purpose of avoiding income tax with respect to their shareholders by accumulating earnings or profits. The operation of the provision, however, is liberalized as compared with prior law.

The new law allows all corporations a minimum accumulation of $60,000 free of penalty tax.

Where improper accumulation has been determined, the tax is applicable only to that portion of the retained earnings considered to be unreasonably accumulated. Previously, the tax was applicable to all retained earnings if any part thereof was found to exceed the reasonable needs of the business. The tax rates continue to be 27½ percent on the first $100,000 of accumulated taxable income and 38½ percent on the excess.

A significant change was made in the concept to be applied in determining unreasonable accumulation. Under prior law, accumulation beyond the "resonable needs" of the business was determinative of intent to avoid tax on shareholders, and the burden of proof as to the reasonableness of accumulations was upon the taxpayer. Under the new code, accumulation of earnings or profits is determinative of intent to avoid tax only if profits

are accumulated beyond the "reasonably anticipated needs" of the business. Furthermore, in any proceedings before the Tax Court, the burden of proof as to reasonableness is now on the Government, provided the taxpayer submits a timely statement of reasons why the accumulations have not been beyond the reasonable needs of the business. Moreover, a credit is allowed for dividends paid within 2-1/2 months after the close of the taxable year and an allowance is made for the foreign tax credit to the extent not allowed in computing taxable income. Previously, only dividends paid during the taxable year were deductible, and the foreign tax credit was not recognized.

## 4. Consolidated returns

Under prior law, an affiliated group of corporations was permitted to file a consolidated return for the taxable year in lieu of separate returns provided all corporations within the group consented to the regulations prescribed by the Secretary. For the privilege of filing a consolidated return, the affiliated group was subject to an additional tax of 2 percent except that the 2 percent tax did not apply to income attributable to Western Hemisphere trade corporations included in the affiliated group. The affiliation test was based on a 95 percent stock ownership.

The 1954 code continues to leave to the regulations the establishment of appropriate rules governing the filing of consolidated returns. The 2 percent tax for the privilege of filing consolidated returns is no longer applied to certain regulated public utilities. The stock ownership test is reduced from 95 percent to 80 percent.

## 5. Pension, profit-sharing, and stock-bonus plans

The new code retains the basic provisions of the old law governing pension, profit-sharing, and stock-bonus plans. However, it gives greater encouragement to the growth of qualified plans by clarifying and removing inconsistencies in the treatment of contributions made by employers and benefits received by employees. Safeguards are also provided against the misuse of funds set aside in such plans.

(a) Lump-sum distributions from qualified plans.--To give insured plans equal treatment with trusteed plans, lump-sum distributions from qualified insured plans made to an employee because he is separated from service are taxed as capital gains.

Capital gains treatment is also accorded to lump-sum distributions made by both insured and trusteed plans to the beneficiary of an employee who dies after retirement and to lump-sum distributions made in 1954 by a plan terminated because the employer corporation was liquidated in a merger or reorganization before the enactment of the new Revenue Code.

(b) Tax on unrelated business income.--Employees' pension, profit-sharing, and stock-bonus trusts are now made subject to the tax on unrelated business income including rental income from real estate leased for more than 5 years and carried with borrowed funds. The tax on rental revenue is imposed in proportion to indebtedness incurred to acquire or improve the leased property. However, for purposes of the tax on rental income, loans made by one employees' trust to another trust of the same employer generally are not treated as indebtedness. Also, debt incurred by an employees' trust in connection with real property leased before March 1, 1954, is not considered as indebtedness if (a) the debt is incurred before March 1, 1954, or (b) after March 1, 1954, in order to carry out the terms of the lease.

(c) Prohibited transactions.--Employees' trusts are denied exemption if after March 1, 1954, they engage in certain prohibited transactions such as lending funds to the employer without adequate security and at less than a reasonable rate of interest, or purchasing property from him for more than adequate value.

(d) Certain negotiated plans.--As a general rule, employers continue to lose deductions for contributions to nonqualified pension, profit-sharing, and stock-bonus plans where employees' rights are forfeitable. However, employers are permitted to deduct currently as business expenses contributions to nonqualified plans if (a) the plan was established before January 1, 1954, as a result of an agreement between employee representatives and the United States Government during a period of Government operation of a major

portion of the facilities of the industry, and (b) the contributions are held in a welfare trust providing at least payments for medical or hospital care and pensions.

(e) Affiliated corporations.--Members of an affiliated group of corporations (as defined for purposes of filing consolidated returns) are permitted to take deductions for contributions to the profit-sharing plan (or stock-bonus plan based on profits) of an affiliated member when the latter cannot make the contributions because it has no profits.

(f) Foreign situs trust.--Under the old law, foreign situs employees' trusts were generally denied exemption. The new code denies all foreign situs trusts the privilege of qualification and exemption. However, to prevent hardship, employers may deduct currently contributions to foreign situs trusts that otherwise would have qualified. In addition, lump-sum distributions from such foreign situs trusts may receive capital gains treatment under the same conditions as qualified trusts.

(g) Deduction for employers on accrual basis.--Taxpayers on accrual basis who make payments of contributions to a plan within the time allowed for filing returns after the close of the taxable year are considered to have made the contribution during the taxable year. Previous law allowed only 60 days after the close of the taxable year for this purpose.

(h) Distributions in employer securities.--The new code modifies the conditions under which payment of tax on the gains on employer securities distributed by an employees' trust may be postponed. Securities of the employer have been defined to include securities of another corporation if either corporation owned more than 50 percent of the other's voting stock. The new code changes the "more than 50 percent" ownership requirement to "50 percent or more," in order to grant relief where two corporations each own exactly half of the stock of a third corporation.

(i) Information returns.--Qualified employees' trusts, like other tax-exempt organizations, are required to file annual information returns showing such items as income, expenses, and distributions. However, at the discretion of the Secretary of the Treasury, such a trust may be relieved from the obligation to state in its returns any information reported on returns filed by the employer corporation.

## 6. Corporate distributions, liquidations, reorganizations and other adjustments

### (a) Corporate distributions

#### Distributions of property

The new code continues to tax individuals on the value of property received as dividends, but taxes corporate dividend recipients on the lesser of the market value or the adjusted basis of the property in the hands of the distributing corporation. Past law taxed corporate recipients of such property on its fair market value but limited the intercorporate dividend credit to the basis of the property in the hands of the distributing corporation. New statutory rules correlate the basis of the property in the hands of the recipient corporation with the amount taxed to it.

#### Redemptions of stock

Nonpro rata redemptions.--In the case of nonpro rata distributions in redemption of stocks, the new law provides, in general, that to qualify for capital gains treatment an individual shareholder's proportionate ownership of voting stock after the distribution must be less than 80 percent of the proportion of his holdings before the distribution and he must not have control of the corporation after distribution.

To pay death taxes.--The new law broadens the provision which allows a redemption of stock in the corporation to pay death taxes without the distribution being taxed as a dividend in certain cases. Under the old law the stock redeemed had to constitute 35 percent of the gross estate in order to be eligible. The new law provides as an alternative test of eligibility that the stock constitute 50 percent of the net estate. It also allows the stock of more than one corporation to meet the percentage test if 75 percent or

more of the stock of each corporation is owned by the estate. The new law permits the receipt of an additional amount in redemption of stock equal to the amount of funeral and administrative expenses as well as death taxes without dividend consequences and extends the time for redemption to 60 days after a decision of the Tax Court with respect to the estate tax has become final.

Sale of stock to subsidiary.--The provision of the old code, under which the sale of a parent corporation's stock to a subsidiary may be taxed as a redemption equivalent to a dividend, is extended to include the sale of the stock of one corporation to another when the persons selling the stock are in control of both corporations.

### Distribution of stock or stock rights

Distributions of stock and stock rights are now generally nontaxable. Exception is made where the stock received as a dividend is in lieu of dividends on preferred stock currently owing or for the preceding taxable year, or where any shareholder has an option to receive property or money. Under prior law, stock dividends were taxed when the proportionate interest of the shareholders in the corporation was disturbed; in general, all stock dividends paid on preferred stock were taxable.

The proceeds of the sale or redemption of dividend preferred stock is treated as ordinary income rather than capital gain to the extent of an amount equal to such stock's allocable share of corporate earnings and profits at the time of issuance of such stock, if sold, or at the time of redemption, if redeemed. No reduction of earnings and profits is provided, however, in the case of a sale of such stock. This provision is designed to close a loophole known as the preferred stock "bail out." It does not apply where it is established to the satisfaction of the Secretary that the distribution and redemption or disposition were not for tax avoidance purposes.

Nontaxable stock rights which are exercised or sold are provided a zero basis so as to avoid the necessity for allocating the basis of the old stock. However, the basis of such stock or rights may be allocated, as under prior law, at the election of the taxpayer and must be allocated if the value of the stock dividend or rights is 15 percent or more of the value of the old stock.

### Effect of distributions on the corporation

The 1954 code, following the rule in General Utilities and Operating Company v. Helvering (296 U. S. 200), provides that a corporation does not realize gain by reason of a distribution of its property, the value of which exceeds its cost to the corporation. Two exceptions are made: (1) If LIFO inventory is distributed, tax is imposed on the amount of any inventory profits which has been postponed; and (2) if property subject to a liability is distributed, the excess of the debt over the basis of the property is subject to tax.

The new code also provides, in general, that earnings and profits are to be charged with the cost of appreciated or depreciated assets distributed by the corporation. If, for example, property worth $100 but costing the corporation $50 is distributed out of earnings and profits of $75, earnings and profits would be reduced by $50. If inventory type assets are distributed, however, earnings and profits are increased by the excess of their fair market value over cost (and charged by the fair market value of the distribution), but the corporation is not taxed on the difference between cost and value (except in the two types of situations noted in the preceding paragraph).

The new act also taxes as a dividend any distribution of the proceeds of any outstanding loans guaranteed by the United States, such as loans guaranteed by the Federal Housing Administration, which exceed the cost of property by which such loans are secured.

## (b) Corporate liquidations

### Effect on the liquidating corporation

In general, the 1954 code provides that if a corporation adopts a plan of complete liquidation and, within a 12-month period beginning on the date of the adoption of such plan, distributes all of its assets, except assets retained to meet claims, it will not be taxed on sales or exchanges of property by it within such 12-month period. Possible

double taxation of the shareholders and the corporation under the decision in Commissioner v. Court Holding Company (324 U. S. 33) may thereby be avoided. However, the determination of whether the sale actually occurred before or after the adoption of the plan of liquidation is a question of fact in each case. Special rules governing inventory liquidation are adopted.

The new code also makes permanent the provision of the old law by which the shareholders may elect to liquidate a corporation without being taxed on the unrealized appreciation of its property. In such a case the shareholder is taxed on the accumulated earnings and profits of the corporation as ordinary income (to the extent of the gain).

Where the liquidating corporation is a subsidiary and the parent adopts a plan of liquidation within two years following the purchase (within 12 months) of 80 percent of the stock of the subsidiary, the basis of the assets in the hands of the parent is to be the amount paid for the stock. This provision follows the general principle of Kimbell-Diamond Milling Company v. Commissioner (14 T.C. 74 (1950) att'd 187 Fed. 2d 718).

#### Partial liquidations

In general, distributions not essentially equivalent to a dividend are to be taxed at capital gains rates, as under the old code. A partial liquidation now includes a distribution arising out of the termination of a business of a corporation which has been in existence for more than five years.

### (c) Corporate organizations and reorganizations

#### Corporate organizations

The new code provides that in the organization of a new corporation any substantial shift in interest of the stockholders and security holders having the effect of a gift or compensation is to be taxed according to its true nature. Under the old code, the interest of the shareholders or security holders in a corporation after the transfer of property to it had to be substantially the same as their respective interests before the transfer in order to avoid realization of gain or loss on the entire transaction.

#### Divisive reorganizations

The rules of the old statute governing corporate spin-offs, split-offs, and split-ups are modified.

A newly created subsidiary may be distributed tax-free to shareholders of the parent corporation provided that both the business retained by the distributing company and the business of the corporation the stock of which is distributed have been actively conducted for five years preceding the distribution, and the distribution is not used as a device for distributing earnings and profits. The provision does not apply if the business is acquired by purchase within such five-year period.

A new section provides that a corporation may be divided into two or more corporations, the control of each of which may be transferred to separate shareholders of the transferor corporation. For example, if A and B originally transferred their separate sole proprietorships to a corporation in which each received 50 percent of the stock, these businesses may be separated into two corporate entities one of which is wholly owned by A and one by B.

#### Other reorganizations

The new code extends the provisions of the former law governing the tax treatment of reorganizations. The old statute had no rules covering gain or loss on the exchange of securities of different principal amounts. The new act provides that no gain or loss is realized if the securities received are of the same face amount as the securities transferred. If a security of a greater face amount is received, the value of the excess face amount is subject to tax as additional consideration.

The new act also provides that a transaction may be a reorganization when a corporation, which is the subsidiary of another, acquires substantially all the assets of a third corporation in exchange for the stock of the acquiring corporation's parent. This modifies the rule in Groman v. Commissioner (302 U.S. 82) and Helvering v. Bashford (302 U.S. 454).

### Carryovers in certain corporate acquisitions

The new code provides for the carryover from one corporation to another, in a corporate reorganization, of certain tax benefits, privileges and elective rights which were not generally available under prior law. These provisions will enable a successor corporation to step into the "tax shoes" of a predecessor corporation with respect to loss carryovers, earnings and profits, certain elections, and other specified items.

The new code eliminates the carryover of a net operating loss when more than 50 percent of the stock of the loss corporation is purchased by new owners within a two-year period and the loss corporation does not continue in substantially the same trade or business. If shareholders of a loss corporaton acquire less than 20 percent of the stock of the new corporation in a tax-free reorganization, the loss carryover is reduced proportionately. For example, if they acquire 10 percent of the stock of the new corporation, only one-half of the loss carryover is preserved.

## 7. Foreign income

### (a) Foreign tax credit

Taxpayers are allowed a credit against their United States tax liability for income taxes paid to foreign countries. In prior years, the credit was subject to two limitations: A "per-country limitation" restricted the credit for taxes paid in any one foreign country to an amount which bears the same proportion to the taxpayer's total United States tax liability as his income from the foreign country bears to his total income. An "overall limitation" restricted the credit for all income taxes paid abroad to that proportion of the taxpayer's United States liability which his income from all foreign sources bears to his total income.

The new law removes the overall limitation but retains the per-country limitation. As a result, taxpayers who incur losses in one foreign country while realizing profits in another foreign country are now entitled to a foreign tax credit computed as if they had not incurred any losses abroad.

### (b) Western Hemisphere Trade corporations

Western Hemisphere Trade corporations are taxed at a rate of 14 percent below the corporation tax rate generally applicable. One of the requirements which a domestic corporation must meet to qualify for this reduced tax rate is that all its business be done in the Western Hemisphere. There has been some uncertainty as to the effect of incidental purchases made outside the Western Hemisphere upon the eligibility of a corporation for the reduced tax rate. The new law provides that such incidental purchases shall not result in disqualification.

### (c) China Trade Act corporations

China Trade Act corporations were formerly allowed a credit against their taxable income, based upon the amount of income derived from sources within China and the amount of stock in the corporation owned by persons resident in China, the United States, and possessions of the United States, and by individuals who were citizens of the United States or of China, irrespective of residence. The new law substitutes "Hongkong and Formosa" for the term "China" (except that only United States citizenship, irrespective of residence, qualifies for the special deduction in lieu of the former credit).

In addition, residents of Formosa and Hongkong (instead of residents of China) are permitted to exclude from gross income dividends received from China Trade Act corporations.

## 8. Income taxes paid by lessee corporation

Long-term leases sometimes provide that the lessee shall pay to the lessor a specified amount, free of tax. Under prior law, the amounts paid by the lessee to the lessor as reimbursement for taxes on the rental income, were in turn considered to be income to the lessor corporation, and subject to income tax. Under the terms of the lease, the

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lessee was obligated to reimburse further the lessor corporation, and so on. This pyramiding of tax liability upon a lessee has been eliminated under the new law, insofar as corporations are concerned. Reimbursement of taxes paid by a lessee, which is attributable to rental payments, is excluded from the lessor's gross income. In addition, it is not allowed as a deduction by the lessee. This provision is applicable only to leases entered into before January 1, 1954.

## 9. Discharge of indebtedness

The old law permitted corporations to exclude from income any income arising from discharge of indebtedness evidenced by securities if they elect a corresponding reduction in the basis of their property. The new law removes the requirement that the indebtedness be evidenced by securities and extends to individuals the same exclusion privilege with respect to discharge of indebtedness incurred in connection with property used in their trade or business. Railroads may exclude income attributable to cancellation of indebtedness pursuant to bankruptcy or receivership proceedings without making a corresponding reduction in the basis of their property if the cancellation occurs in taxable years beginning before January 1, 1956. Under prior law, this privilege was applicable only to taxable years beginning before January 1, 1955.

## 10. Involuntary liquidation of LIFO inventories

Retroactive adjustment of income is permitted where the taxpayer has an involuntary liquidation of LIFO inventory in taxable years ending after June 30, 1950, and ending before January 1, 1955, and the inventory is replaced in a subsequent taxable year ending before January 1, 1956. Prior law covered liquidations only through taxable years ending before January 1, 1954.

## 11. Collapsible corporations

Under prior law, profits derived by a stockholder in a so-called collapsible corporation were taxed as ordinary income. A collapsible corporation was defined as one formed, or availed of, for the production or purchase of property with a view toward the sale or exchange of the stock (in liquidation or otherwise) of the corporation, or a distribution by the corporation before it realized the bulk of the taxable income attributable to the goods produced or purchased.

The new law retains this device to prevent the conversion of ordinary income into capital gains, but makes the provision more stringent by making it applicable to stockholders owning more than 5 percent, instead of 10 percent, of the stock of the corporation. In addition it establishes a presumption that a corporation is a collapsible corporation if at the time of the sale or exchange of stock, or of a distribution, 50 percent or more of the total assets consist of inventory and similar assets which have appreciated by 20 percent or more.

The use of collapsible partnerships for the same purpose as collapsible corporations is precluded by the rules (described elsewhere) which apply to distributions by partnerships and the sale of partnership interests.

## 12. Acquisitions to evade or avoid tax

The new code carries over the previous authority of the Secretary of the Treasury to disallow a deduction, credit, or allowance not otherwise available to a taxpayer where he has acquired another corporation or its property principally for purposes of tax evasion or avoidance.

The Secretary's authority is strengthened by a new provision which establishes a prima facie presumption that the principal purpose is tax evasion or avoidance where the consideration paid in acquiring a corporation or its property is substantially disproportionate to the tax basis of property acquired plus the tax value of other benefits, such as loss carryovers.

## C. Special classes of corporations

### 1. Regulated investment companies

Under prior law and the new code, regulated investment companies meeting specified requirements as to asset diversification, capital structure, sources of income, and operations are treated as "conduits" and taxed only on their undistributed income if they distribute at least 90 percent of their ordinary income. The diversification tests require that at least 50 percent of the company's portfolio consist of holdings, no one of which exceeds 10 percent of the voting securities of the issuer or 5 percent of the value of the assets of the regulated investment company. The tests also require that not more than 25 percent of the value of the total assets of the company be invested in any one company or group of companies in the same line of business which the regulated investment company controls.

(a) Venture capital companies.--In the case of certain venture capital companies principally engaged in furnishing capital to development corporations which are exploiting new inventions, products, or processes, the asset diversification requirements were relaxed under prior law so that the company could hold more than 10 percent of the outstanding voting securities of a single issuer for as long as 10 years. This special rule for the benefit of venture capital companies is liberalized in the new code. The requirement that not more than 5 percent of the value of an investment company's assets may be invested in a single development company need be met only on the basis of cost at the time of the investment.

(b) Treatment of shareholders.--Under prior law the credit for foreign taxes allowed corporations was of little, if any, value to regulated investment companies. They were subject to tax only on undistributed income which constituted a minor portion of their total income, and much of the tax credit to which they would otherwise be entitled was wasted. The new code allows a foreign tax credit to be passed through to the shareholders of a regulated investment company. The credit may be claimed only with respect to income and profits taxes paid by the investment company (by withholding or otherwise) and only if (a) the investment company elects not to claim either a deduction or credit for foreign income taxes, and (b) if the investment company has more than 50 percent of its assets in the securities of foreign corporations.

Where dividends from domestic corporations represent less than 75 percent of the gross income of an investment company, the intercorporate dividends deduction and the individual dividends-received credit and exclusion are available only with respect to the portion of its dividends which represents dividends received by the company. Furthermore, capital gains dividends of an investment company are not eligible for the dividends-received allowances. Under prior law, when a dividends-received credit was available only to corporations, corporate shareholders in investment companies could take the dividends-received credit for all dividends received from such companies and thereby receive interest and other income at the lower tax rate applicable to intercorporate dividends.

### 2. Personal holding companies

The new law retains the special tax of 75 to 85 percent that has applied to the undistributed income of personal holding companies, which is designed to discourage the retention of investment income by a corporation to avoid personal income tax on stockholders. The new law, however, makes changes in the tax to relieve certain inequities, produce more effective administration, and provide greater certainty for the taxpayers.

A personal holding company is defined as a corporation which (a) receives 80 percent or more of its gross income in the taxable year in the form of specified types of investment income, and (b) which is owned, to the extent of at least 50 percent, by five individuals or fewer. The old law contained substantially the same definition, except that a corporation which fell within the 80 percent rule in one year was subject to a 70 percent rule in the following years. In addition, a tax-exempt organization or trust was not taken into account in ascertaining whether 50 percent of the stock was owned by five or less individuals. Under the new law such organizations or trusts are treated as individuals for purposes of the ownership test.

In the case of a group of affiliated corporations filing a consolidated return, the income test is applicable to the consolidated income as a whole, provided no member of the group with income from outside the group equal to 10 percent or more of total income, meets the definition of a personal holding company with respect to its income from outside the group. Under prior law, only railroad companies filing consolidated returns were permitted to apply the income test on a consolidated basis.

Under previous law, income received by a corporation from the rental of property to a stockholder owning 25 percent or more of its stock was included in the definition of personal holding company income. The new law excludes rental income derived from stockholders, provided the company does not receive other personal holding company income amounting to 10 percent or more of its gross income. In applying this 10 percent rule, rentals received from persons other than shareholders are to be ignored.

Although capital gains were not subject to the personal holding company tax under prior law, taxes paid on capital gains were allowed as a deduction in determining the income subject to tax. The new law disallows this deduction.

A personal holding company was permitted to declare deficiency dividends with respect to past tax years in cases where negligence to file a personal holding company return was not involved and thus to eliminate any liability for personal holding company tax. The new law expands this provision by allowing deficiency dividends in all cases except those involving fraud. It also simplifies the procedures associated with deficiency dividends.

Income tax and personal holding company tax were regarded as separate levies for purposes of filing, the statute of limitations, and assessments procedures. Under the new law, the two taxes are integrated so that a single return with a supplemental schedule will fulfill the requirements for both levies. The statute of limitations is increased to six years in cases where a corporation fails to provide necessary personal holding company information.

### 3. Life insurance companies

The temporary life insurance company tax provisions in effect since 1951 are continued for 1954. These provide for a tax of 3-3/4 percent on the first $200,000 and 6-1/2 percent on amounts in excess of $200,000 of net investment income, with certain adjustments. These reduced rates are equivalent to the application of the ordinary corporate rates of 30 percent on the first $25,000 and 52 percent on income above $25,000, after deduction of 87-1/2 percent of the net investment income. The 87-1/2 percent figure reflects the deduction for the industry's average policy reserve interest needs which would have applied in 1951 under the 1949-50 stop-gap formula previously in effect.

### 4. Tax-exempt organizations

The new code makes several changes in the provisions governing tax-exempt organizations. Nonprofit organizations devoted to testing products for public safety are added to the organizations entitled to exemption. The restrictions governing the exemption of charitable, religious, and educational organizations are increased. Prior law denied exemption to these organizations if a substantial part of their activity was the carrying on of propaganda, or otherwise attempting to influence legislation. The new code adds to this restriction by denying exemption if the organization participates in any political campaign on behalf of any candidate.

The new code also subjects pension, profit-sharing, and stock-bonus plans to the prohibited transactions rules, previously applicable only to charitable and certain educational organizations, and makes them taxable on income from unrelated business activities and from rental income of real estate carried with borrowed funds. (See III. B. 5. above.)

Where loans are made by one trust to another trust of the same employer to carry real estate, such borrowing is not treated as indebtedness for purposes of the tax on rental income, unless the first trust incurs indebtedness to make the loan.

Agricultural research organizations are added to the list of organizations not subject to the prohibited transactions rules.

The new code retains the provision of the old law which denies tax exemption to charitable and certain educational organizations if amounts accumulated out of income were unreasonable in amount or duration to carry out the functions constituting the basis for the exemption. However, it exempts from the provision income from property of a decedent dying before January 1, 1951, which is transferred under his will to a trust created by such will. It also permits unlimited accumulation for the duration of lives of persons designated in the trust instrument plus 21 years in the case of a trust created by will of a decedent dying after December 31, 1950, if the will creating the trust requires accumulation.

Under prior law, a portion of income from rental real estate was taxed where the property was leased for more than five years and carried with borrowed funds. Tax did not apply where more than 50 percent of property was leased under short-term leases, provided no lessee occupied over 10 percent of the property on a long-term lease. The new code carries over the general provisions on taxation of rental income but amends the lease rules to make the tax applicable in the sixth and succeeding years where the tenant has not had a lease for more than five years but occupies the property for more than five years. The rule of a constructive long-term lease after five years of occupancy is not applied in determining whether for purposes of the exemption from the section less than 50 percent of the property is under long-term lease. Furthermore, in determining whether less than 50 percent of property is under long-term lease, if a lease of less than five years is renewed during the last half of its term, the unexpired portion of the first lease will not be added to the second to determine whether or not the second lease is a long-term lease.

## IV. TAXATION OF ESTATES AND TRUSTS

The new law combines in one place the substantive rules governing the income tax on estates and trusts and their beneficiaries and contains a number of substantive changes which are intended to eliminate uncertainties, plug loopholes, simplify tax procedures, and cure inequities which are present under existing law.

### A. General provisions

In general, estates and trusts, although regarded as separate taxable entities, are treated as conduits through which income flows to the beneficiaries. Under the new law, in general, all distributions regardless of source are deductible by the estate or trust and includable in the income of the beneficiaries, but the amount so includable cannot exceed the "distributable net income" of the trust. This treatment is accomplished through a new concept of "distributable net income" which is also utilized to determine the character of the items of income distributed to beneficiaries or retained by the trust, such as dividends and tax-exempt interest. The new law thus eliminates the necessity for tracing income under the so-called 65-day and 12-month rules of prior law.

The adoption of taxable income as the foundation for distributable net income also eliminates wastage of allowable deductions. Under prior law, deductions allowable to a trust which did not reduce income received by a beneficiary were not allowed as a deduction to the beneficiary. Moreover, if on termination of an estate or trust, the trust or estate had a net operating loss carryover, a capital loss carryover, or deductions in excess of gross income for its last taxable year, they could not be availed of by beneficiaries succeeding to the property of the trust or estate. These deductions will now be available to beneficiaries.

For the sake of simplicity, separate rules are established for simple trusts and complex trusts, thus confining the more complicated provisions to complex trusts.

## B. Simple trusts

A trust may qualify under the simple trust provisions of the new law if all of its income is required to be distributed currently to beneficiaries other than charitable, educational, and similar organizations, and the trust does not distribute principal in the years involved. If a trust does qualify as a simple trust, in general, it may deduct amounts required to be distributed to the extent of the distributable net income; and its beneficiaries are required to include these amounts in their income for tax purposes to the extent of distributable net income. Essentially, the treatment provided for simple trusts is the same as that provided by present law except that the deduction for personal exemption is increased from $100 to $300 to eliminate taxing small amounts of capital gains realized by them.

## C. Complex trusts

All estates and trusts not qualifying as simple trusts are subject to more complicated provisions contained in separate sections of the new law.

Under the new law, an estate or trust is allowed a deduction in computing taxable income for the sum of the amount of income for the taxable year which is required to be distributed currently and any other amount distributed (with certain exceptions), but not in excess of the distributable net income for the year. The beneficiaries are required to include the amounts distributed to them in their income, up to the distributable net income. As in the case of simple trusts, the income in the hands of the beneficiary retains the same character it had in the hands of the fiduciary.

To prevent a shift in the tax burden from the beneficiaries of a trust to the fiduciary, the new law, in general, taxes the beneficiaries on the amount of the distributions made to them in any year to the extent of the trust income for that year, plus the undistributed income of the trust for the five preceding taxable years. To the extent that the distributions in a given year exceed the distributable net income during the year, they will be reallocated to prior years in inverse order but will be reallocated to a particular year only to the extent that there remains distributable net income for that year which was not in fact distributed. In order to prevent double taxation, the beneficiaries are allowed as a credit a ratable portion of the taxes imposed on the trust for the previous years. Exceptions are provided from the application of these rules for certain situations where tax avoidance was not considered a serious factor.

## D. "Clifford" type trusts

Prior law contained statutory provisions taxing to the grantor income of a trust where he retained in effect a power to revest title to the trust property in himself, or where the income was accumulated or used for his benefit. In addition, regulations (commonly known as the Clifford Regulations) provided rules taxing the grantor on income of an irrevocable trust, if the trust was such as to constitute him substantial owner of the property, as, for example, if the trust property or income could return to him after a relatively short term of years, or he retained in effect powers to control the beneficial enjoyment or certain broad administrative powers. The new law contains the statutory provisions of prior law and also incorporates the basic provisions of the regulations, but with variations in the precise standards applied. An important provision in the new law is that a grantor may be taxed on income of an irrevocable trust if the trust property may revert to him within ten years, but if the beneficiary is a designated school, hospital or church, the grantor will be taxable only if the reversion will occur within less than two years.

## E. Income in respect of decedents

Income which accrues to a recipient by reason of the death of an individual is taxed to the recipient at the time the income is received, but he receives a deduction for the estate tax which is attributable to the inclusion of that income in the estate of the

decedent. This provision was in the prior law and is retained by the new law, but it is expanded to include subsequent recipients of the income after the first. In addition, the new law treats certain additional items as items of income accruing by reason of the death of the decedent, as, for example, installment obligations.

## V. CAPITAL GAINS AND LOSSES

The new code leaves unchanged the tax rate and the basic principles applicable to capital gains and losses. The 1954 changes were confined principally to technical and definitional problems.

### A. Personal residence and involuntary conversions

The new code makes some revisions in the provision which allows the taxpayer who sells his principal residence and acquires a new one within a specified period to defer the tax on any resulting capital gain. For purposes of computing gain on the old residence, the new code substitutes for the term "selling price" a new term "adjusted sale price," which is defined as the amount realized, reduced by expenses for fixing up the house if incurred and paid within specified periods. This change has the effect of allowing the deduction of both the selling expenses (including a broker's commission) and cost of fixing up the old residence in computing gain.

In the case of an involuntary conversion of a personal residence, the regular involuntary conversion provisions now apply. This gives the taxpayer a longer replacement period than the one year, or 18 months, available in the case of the sale of a principal residence generally.

In addition to extending the involuntary conversion provisions to personal residences, the new code treats as an involuntary conversion (1) the sale of property lying within an irrigation projct where the sale is made in order to conform to the acreage limitation provisions of Federal reclamation laws; and (2) the destruction or sale of livestock by or because of disease.

### B. Sale of subdivided real estate

The new code provides new rules under which an individual who holds real property for investment can subdivide the property to dispose of it and still be eligible for capital gains treatment. Under prior law, such an individual was likely to be considered a dealer solely on account of such subdivision activity and be subjected to ordinary income tax rates on his long-term gains.

If the taxpayer makes no more than five sales of lots from a single tract of real property through the end of the taxable year, the entire proceeds are now treated as realized from the sale of a capital asset. In the year in which the sixth sale is made, and on subsequent property sales, the gain, up to 5 percent of the selling price, must be reported as ordinary income; any gain remaining is treated as a capital gain. In determining taxable income, selling expenses may be taken as deductions from gross income but only to the extent that the gain is reported as ordinary income. The remainder of the selling expense may be applied to reduce the portion of the proceeds treated as a capital gain.

To qualify for the special treatment, the taxpayer must not be a dealer in real estate, must not have made a substantial improvement on the property, and must have held the property for five years. If the lot or parcel was acquired by inheritance or devise, no holding period is imposed. Property does not qualify for this treatment if a major improvement substantially enhancing the value of the particular lot sold has been made, directly or indirectly, by the taxpayer or his relatives. If the taxpayer has held the property over ten years, he may make certain necessary improvements without disqualifying the sale for capital gains treatment. These include installation of water or sewer facilities or roads, if local market conditions require such improvements, provided the taxpayer makes no adjustment reflecting any of the cost of such improvements in the basis of the property or of any other property he owns.

## C. Inventions

The new law permits income from the transfer by the holder of a patent of all the substantial rights under a patent (regardless of whether the purchase price takes the form of royalty payments) to be treated as a capital gain. This treatment will apply to professional as well as amateur inventors. Under prior law, amateur inventors could claim capital gains treatment on the proceeds from the sale of patents, but professional inventors could not. Moreover, if a sale arrangement resulted in royalty income, rather than installment payments, even an amateur inventor faced uncertainty as to whether he received capital gains or ordinary income treatment.

In addition, the new law accords capital gains treatment to any individual who sells an interest in the invention acquired before the time it is actually reduced to practice, except where the individual is the employer or a close relative of the inventor.

## D. Notes and accounts receivable

Proceeds realized on the sale of accounts or notes receivable are also given new treatment. Where these accounts or notes have been acquired by the taxpayer in the sale of inventory or stock in trade or in rendering services, their value must be taken into income. If they are subsequently sold, the difference between the proceeds of the sale and the value at which they were previously taken into income is treated as ordinary income or loss. Prior law prescribed capital gain or loss treatment in these cases, unless the notes or accounts were held until maturity or unless the taxpayer is a dealer in such notes or accounts.

## E. Bonds

The new law provides that any gain realized by the holder of a bond (other than tax-exempt bonds) issued after December 31, 1954, and attributable to the original issue discount will be taxed as ordinary income upon redemption. Also, the discount is spread over the entire period to maturity, and where the bond is sold prior to maturity, that portion of the gain which corresponds to the prorata portion of this discount is treated as ordinary income. Any gain in excess of this prorated discount is treated as capital gain. These rules are applicable whether the bond is in registered form, with coupons attached, or otherwise. Where such bonds are not issued at a discount, any gain on redemption will be treated as a capital gain.

The treatment noted above clarifies problems raised under prior law when non-registered or noncoupon bonds were redeemed, or when registered or coupon bonds were issued at a discount.

In the case of bonds sold with a number of coupons detached, other than the coupons covering the succeeding 12 months, the new law provides that any gain realized by the holder on the subsequent sale or redemption of the bond will be treated as ordinary income up to the amount of the artificial discount created by detaching coupons.

In the case of so-called face-amount certificates, the difference between the lump sum received at the end of a period of time and the series of payments made by the investor to receive this lump sum is now treated as an original issue discount and subjected to the new rules, subject to the possible right to spread the gain over three years.

## F. Exchange of insurance policies

The new law provides that no gain or loss will be recognized on the exchange of (1) a life insurance contract for another life insurance contract or for an endowment or annuity contract; (2) an annuity contract for another annuity contract; and (3) an endowment contract for an annuity contract or for another endowment contract, but only where the endowment contract received will not have a maturity later than that of the contract exchanged.

The contract received in any of these three types of exchanges will take the basis of the contract exchanged for it, with adjustments for other payments accompanying the transfer. Under prior law, taxation of the excess of the value of the policy received over the premiums paid for the exchanged policy was not deferred.

## G. Termination payments

The new code continues the provision of prior law which treats as a long-term capital gain certain amounts received by an individual in exchange for his rights to receive, following retirement after more than 20 years' employment, a percentage of his employer's profits for a period of at least five years or until death. To qualify, the individual's rights must have been included in the terms of his employment for not less than 12 years and the amounts received in exchange for his rights must be received in one taxable year after his retirement. This provision is now limited to contracts entered into before the date of enactment of the new code.

## H. Short sales and options

The new law provides that the treatment of gains or losses resulting from short sales other than hedging transactions in commodity futures will depend upon the nature of the assets used to close the sale. If these assets are capital assets, capital gains or loss treatment will result; if the assets do not fall within the statutory definition of capital assets, ordinary income or loss treatment will be accorded. Prior law, by treating all short sales as sales of capital assets, permitted a dealer in commodities or securities to obtain long-term capital gains treatment by selling short his stock in trade, a noncapital asset, rather than by selling it outright.

The new law provides consistent treatment for sales and failure to exercise options, and in the case of the option-holder, makes the treatment depend on the nature of the underlying asset. Thus, if a taxpayer acquires an option relating to a noncapital asset, he will receive an ordinary gain or loss when he sells the option and ordinary loss if it expires without his exercising it; if the underlying asset is a capital asset, he will receive capital gains or loss treatment, regardless of how he disposes of the option. The grantor of the option, however, will always receive ordinary income on the failure to exercise the option.

Under prior law, the holder of an option always realized a short-term capital loss upon failure to exercise the option and the grantor received a short-term capital gain. Where the option was sold, the holder (other than a dealer in options) realized a long- or short-term capital gain or loss, depending on how long he had held the option.

Under the new law, a "put" (an option to sell an asset at a fixed price) is not to be presumed to be a short sale if, among other things, it is purchased on the same day as the stock to be used to exercise the option. Thus, a "put," purchased on the same day as the stock which is to be used to exercise it in order to hedge against a decline in the stock's value, will not fall within the special rules governing certain short sales which limit the opportunity to convert what are substantially short-term capital gains into long-term gains.

## I. Holding period

The new law provides that the holding period of a commodity accepted under a commodities future contract will date from the time the contract was acquired, rather than from the time of delivery of the commodity. Under prior law, a new holding period was provided for the commodity in such cases, even though the taxpayer would have received long-term capital gains or loss treatment had he sold the future contract itself after holding it for more than six months.

The new law permits a taxpayer to "tack on" to the holding period of an asset acquired in a tax-free exchange the holding period of the asset given up in the exchange only where

both assets are capital assets or where the property exchanged was depreciable property used in the trade or business. This limitation was not provided in the prior law which, therefore, permitted long-term capital gains treatment for the proceeds of sale of a capital asset acquired less than six months prior to such sale in a tax-free exchange for a noncapital asset held for a sufficient period.

### J. Cancellation of lease or distributor's agreement

Under the new code, amounts received by a lessee for the cancellation of a lease or by a distributor on the cancellation of a distributorship agreement (where the distributor has a substantial capital investment in the distributorship) are treated as received on a sale or exchange. The prior law, as a result of a recent court decision, was uncertain as to whether such cancellations were to be treated as sales or exchanges, which could give rise to capital gain or loss.

### K. Basis of property acquired from a decedent

Under the new law, the basis of virtually all property includable in the gross estate of a decedent will be the value of the property at the date of death, or if the optional valuation date is used, one year later. Under prior law, this change in basis was not available with respect to property included in the decedent's gross estate for estate tax purposes if it had been transferred in contemplation of death, acquired by the surviving tenant of a joint tenancy or tenancy by the entirety, or included in the gross estate as a reserved income transfer.

The only exceptions to the new rule are income in respect of a decedent, including unexercised restricted stock options, and the interest element in a survivor's interest in a joint and survivor's annuity accruing since the annuity was purchased. When the income is reported for income tax purposes by the estate or beneficiary, a deduction will be allowed for any estate tax attributable to the values included in the decedent's gross estate.

In the case of depreciable or depletable property, acquired inter vivos, the new rule provides that the value at date of death (or one year later) will be reduced by the total of the taxpayer's deductions for depreciation, depletion, and amortization taken between the date of gift and the date of the decedent's death.

### L. Employee stock options

The new law removes ambiguities in the tax treatment of restricted stock options. Special rules are provided to govern the effects of different types of reorganizations of employer corporations on the rights of employees holding restricted stock options. Moreover, whereas under the old law stock options on which the option price was not specified were difficult to qualify as restricted stock options, these options, with certain limitations, may now qualify. Likewise, where the old law was in doubt on the tax treatment of a restricted stock option exercised by the estate or beneficiary of a decedent employee, the new law specifically grants the estate or beneficiary the right to exercise a restricted stock option.

Prior law made no provision for adjusting the option price if the stock subject to a restricted stock option had substantially declined in value. Under the new law, if the stock declines at least 20 percent over a 12-month period, restricted stock options may be repriced, within the qualifying limitations.

The old law placed no time limit on the exercise of a restricted stock option. To insure that the appreciation in the value of the option is due to the employee's efforts (as distinguished from the mere passage of time), the new law limits the exercise period to ten years.

## VI. ESTATE AND GIFT TAXES

The new code simplifies the computation of estate and gift taxes, eliminates certain procedural complexities in the preparation of returns, relieves taxpayers of the obligation

to file returns for certain transfers which in many cases would result in little or no tax liability, clarifies the taxation of annuities, liberalizes certain deductions, revises the treatment of previously taxed property, and makes a major change in the taxation of life insurance.

## A. Property previously taxed

The new code makes extensive changes in the tax treatment of property previously taxed. Under the old law, the value of property received from a prior decedent (or by a gift subject to tax) within five years of the death of the current decedent and either still in his possession or traceable was deductible from his gross estate. The 1954 code replaces the deduction with a eredit based on the amount of tax actually paid on the property in the estate of the prior decedent. The credit is allowed in full where the current decedent died within two years before or within two years following the death of the prior decedent, and then decreases by 20 percent every two years until no credit is allowed after the tenth year. The credit, which is based on the value of the property and the tax paid in the prior estate, is limited to the tax attributable to the property in the estate of the current decedent. The credit is available for property passing as a result of the exercise or nonexercise of powers of appointment and for inter vivos taxable transfers to a person who predeceased the transferor by less than two years.

The new law also extends the credit for property previously taxed to transfers from spouses to the extent that the marital deduction has not been taken against the property. Under prior law, deduction was not allowed for transfers between spouses.

## B. Proceeds of life insurance

The premium payment test for life insurance proceeds has been eliminated. Under the new law, life insurance proceeds continue to be includable in the decedent's estate if the decedent retains at his death incidents of ownership with respect to such policy. Where, however, the decedent previously transferred ownership of the policy and does not possess more than a 5 percent reversionary interest at his death, it is not includable in his estate even though he paid the premiums. Under previous law, the decedent was taxable on the policy if he paid premiums on it.

## C. Expenses

Under prior law, deductions for expenses under the estate tax could not exceed the value of the property subject to claims, that is, the probate estate. The 1954 code allows as deductions expenses in connection with property not in the probate estate if they are of the type which would have been allowed if the property were in the probate estate and if they are paid within the period provided for assessment of estate tax. Moreover, expenses of administering property included in the probate estate are now allowed without regard to the total probate estate if paid before the estate tax return is filed.

## D. Joint and survivor annuities

As under prior law, joint and survivor annuities purchased by a decedent annuitant are subject to estate tax at the death of the decedent. However, joint and survivor annuities provided under pension, stock-bonus, profit-sharing or retirement plans are exempted from estate tax (to the extent that they are financed by employers' contributions) if furnished under qualified plans and are subject to estate tax if furnished under nonqualified plans.

## E. The marital deduction

The conditions under which certain property interests passing to a surviving spouse qualify for the marital deduction have been clarified. It is now made clear that a legal

life interest on property as well as trust property over which the spouse has virtual ownership may qualify for the deduction. In addition, where a surviving spouse does not receive the entire income for life from the interest, the marital deduction is granted for the specific portion of property from which she gets income for life provided she has a general power of appointment over an equivalent portion.

## F. Tenancies by the entirety

Under prior law, the creation or termination of a tenancy by an entirety could result in a gift by one spouse to the other. Married couples who purchase real property and hold it under a tenancy by the entirety frequently are not aware of the possible gift tax consequences. The new code meets this situation by providing that a transfer of real property to a tenancy by the entirety will not be regarded as a gift at that time, unless the spouse who furnishes the major part of the consideration for the property elects otherwise. However, if such a tenancy is terminated other than by death, a gift is considered as occurring at termination to the extent the proceeds are divided between husband and wife in different proportions to their contributions. The provision applies also to the creation by husband and wife of a joint tenancy with right of survivorship in real property.

## G. Transfers taking effect at death

Under the new law, lifetime transfers of property which take effect at death will be includable in the decedent's estate only if he retained at death a reversionary interest in the property exceeding 5 percent of its value. Under the old law, such property was includable in the gross estate even though the decedent had retained no interest in the property so long as possession or enjoyment of the property could be obtained only by surviving the decedent.

## H. Charitable bequests

The scope of the deduction of bequests of charitable contributions is extended to include bequests to veterans' organizations incorporated by acts of Congress, including the American Legion, the Disabled American Veterans, the Veterans of Foreign Wars, AMVETS, and the United Spanish-American War Veterans. The deduction was also broadened to include property passing to charity as the result of a termination of a power to invade, if the termination took place prior to the filing of the return.

## I. Exemption for members of Armed Services

The new code extends for an indefinite period the exemption from additional estate tax available to members of the Armed Forces dying in the combat zone during the period persons are subject to induction under the Universal Military Training or Service Act.

## J. Gifts to minors

The new code provides that gifts to minors will not be considered as gifts of a future interest but will be eligible for the $3,000 exclusion if the income and property can be spent by or for the child prior to his attaining the age of 21, and if not so spent, passes to the child when he reaches age 21 or to his estate or appointee, if deceased. Under the old law, the exclusion was usually not available for such gifts because they were treated as gifts of a future interest.

## K. Property settlements incident to divorce

The new code specifically provides that most property settlements between spouses followed by divorce within two years after the settlement do not constitute taxable gifts.

Under the old law, this was the treatment with respect to property settlements incorporated in the decree of divorce; but where settlements were not so incorporated, the gift tax status was uncertain.

### L. Revaluation of gifts for prior years

The new code provides that the value of a gift as reported on the taxable gift tax return for a prior year on which the statute of limitations has run is to be conclusive in determining the tax rate to be applied to subsequent gifts. Under prior law, the tax on a gift made during the current year could vary depending upon whether the valuation of a gift made in an earlier year for which the statute of limitations had run was accepted as previously reported or was altered. In view of the accumulative nature of the gift tax and the progressive character of the rate schedule, an upward revision of the earlier valuation could increase and a downward revision could decrease the tax due on a current gift.

### M. Gifts of nonresident aliens

Under the new law, nonresident aliens engaged in business in the United States continue to be taxable on all gifts of property located within the United States. However, nonresident aliens not engaged in business here are now taxable only on gifts of tangible property located in the United States and are not taxable on gifts of intangible property. The old law taxed nonresident aliens on all gifts of property located within the United States. The tax could readily be avoided by removing intangible property from the United States prior to making a gift, thus depriving United States financial institutions of the depository business of nonresident aliens contemplating gifts.

## VII. EXCISE TAXES

The Revenue Code of 1954 makes changes in the provisions relating to the taxes on alcoholic beverages, tobacco, machine guns and other firearms, and general admissions.

### A. Alcoholic beverages and tobacco

The provisions relating to alcoholic beverages and tobacco are revised by eliminating obsolete provisions, removing unnecessary record-keeping requirements and granting producers and the Treasury Department greater freedom to adjust tax procedures to accord with changing commercial practice. The tax rates are left unchanged.

#### 1. Use of returns for payment of tax

Under prior law, taxes on alcoholic beverages and tobacco were paid for by the purchase of stamps required to be affixed to packages or containers prior to or at the time of removal of the products from the factory or other bonded premises. The 1954 code authorizes the payment of these taxes by returns, but provides for the continued use of stamps until such time as the Secretary provides by regulations for the use of returns.

#### 2. Penalties

Under prior law, the provisions imposing penalties for violation of the law with respect to the taxes on alcoholic beverages and tobacco products often provided for minimum as well as maximum fines and jail sentences. The mandatory minimum requirements are omitted in the new code.

#### 3. Stamps to evidence compliance with law

Under prior law, the stamps purchased in payment of taxes on alcoholic beverages and tobacco were sold for their tax value. No charge was made for the stamps as such.

The law also required that strip stamps be placed on individual bottles of distilled spirits to evidence payment of tax. These stamps cost producers 1 cent per bottle (one-fourth cent for bottles of less than one-half pint).

The required use of strip stamps on distilled spirits containers is continued in the new code. In addition, it is provided that when the return system for liquor and tobacco taxes is instituted, the Secretary or his delegate may require stamps to be affixed to containers of beer and tobacco products to indicate compliance with the law, but all stamps are to be furnished to manufacturers without cost.

## B. Distilled spirits

A number of changes were made in the provisions of the code relating to distilled spirits.

1. Authorization is provided for voluntary destruction of distilled spirits prior to withdrawal from bond. Prior law provided for the collection of tax on distilled spirits voluntarily destroyed unless such spirits were unfit for beverage purposes.

2. Distilleries may be authorized by regulation to conduct other businesses (except specifically prohibited businesses) on distillery premises, when it is found by the Secretary of the Treasury or his delegate that such operations will not jeopardize the revenue. Previously, only operations connected with the production of distilled spirits could be conducted on distillery premises.

3. The requirement that all stills, for whatever purposes intended (except stills for refining petroleum), be registered has been modified. Registration is to be required only of stills intended to be used for the distillation, redistillation, or recovery of distilled spirits.

## C. Fermented malt beverages

A number of changes were made in the provisions relating to fermented malt beverages.

1. All brewers may be authorized, under regulations, to use their premises for producing and bottling soft drinks and for such other businesses as the Secretary, by regulation, may find will not jeopardize the revenue. Under prior law, only breweries which on June 26, 1936, were bottling soft drinks were allowed to carry on such business.

2. A refund or credit is provided for tax paid on beer belonging to a brewer if it is returned to the brewery for reconditioning, for use as materials, or destroyed under required supervision. Provision also is made for credit or refund of tax paid if beer belonging to a brewer is lost by casualty (other than by theft). No claim for casualty loss will be allowed, however, if the brewer is indemnified by insurance or otherwise. Under prior law, there was no provision for such credits or refunds.

3. A brewer owning two or more breweries is authorized to transfer beer without payment of tax from one of his breweries to another. Prior law did not permit such transfers, but comparable tax-free transfers under bond were permitted for wines and distilled spirits.

## D. Wines

Substantial changes are made in the laws relating to the taxation of wine.

1. Winery operators may, under regulations, be granted permission to carry on certain operations in wineries besides the making of wine, if these operations are conducted in a manner which will not jeopardize the revenue. This will permit wineries to be used for making fruit juice, jellies, and jams.

2. The definitions of wines, the methods of preparation permitted, and the required standards of quality are revised. A new provision permits use of methods acceptable in "good commercial practice" to correct and stabilize wine. Prior law prescribed that only "usual cellar treatment" might be used.

3. The law provides that tax-paid wine bottling houses will now operate under Government supervision. Under prior law, the Government could not supervise the bottling of tax-paid wine.

4. Provision is made for the allowance of all losses of wine while in bond, except losses by theft occurring because of negligence or collusion. No allowance will be permitted where the claimant is indemnified by insurance or otherwise. Allowance also is made for voluntary destruction of wine in bond. Under prior law, tax was levied in all cases of loss by theft, and destruction without payment of tax was permitted only for wine unfit for use as wine.

5. Refund or credit is authorized for the tax paid on unmerchantable sparkling or artificially carbonated wine which is returned to bonded premises. The old law contained no corresponding provision.

6. Sparkling and artificially carbonated wines are now taxed on a wine gallon basis instead of the prior base of each one-half pint or fraction thereof in each container. The rates for these wines are restated to make them the practical equivalent of the prior rates. For example, the rate on champagne or other sparkling wines is changed from 17 cents on each half pint or fraction thereof in each bottle or other container to $3.40 per wine gallon. The rate per wine gallon is set at 20 times the rate per half pint because most such wine is bottled in fifths, and each fifth has been taxed at 4 times the half pint unit rate.

7. The exemption from tax for hard cider (usually sold during season by farmers at roadside stands) is clarified by providing that the exemption applies when the cider is not preserved by any process or by the addition of any material and is not offered for sale as wine or a substitute for wine. Such cider was not taxable prior to 1936, but the amendment of the law in that year to refer specifically to "apple wine" raised some question as to whether hard cider might be taxable.

## E. Tobacco products

The revision of the provisions relating to cigars, cigarettes, chewing and smoking tobacco, snuff, and cigarette papers and tubes includes the following:

1. Detailed statutory provisions specifying the permitted sizes of packages and the exact wording of notices and labels to be put on packages have been removed. The new law gives authority for more flexible regulatory control.

2. Credits or refunds are authorized to be made to the manufacturer for tax paid on articles lost by casualty (except by theft) while in his possession. Prior law was not specific in this matter.

3. Every person before commencing business as a manufacturer of tobacco products must obtain a permit to engage in such business. The permit may be refused if it is deemed that the applicant is unlikely to comply with the tobacco tax provisions. Once issued, permits may be suspended or revoked after hearing before proper authority. Under prior law, these persons were required to register before commencing business, but such registration had only informational value.

## F. Machine guns and short-barrelled firearms

Three major changes are made in the taxes on machine guns and short-barrelled firearms.

1. The terms "rifle," "shotgun," and "any other weapon" are now defined in the law. This definition excludes from the scope of the taxes and registration provisions ancient or antique guns subject to tax under prior law.

2. Doubled-barrelled shotguns with barrels less than 18 inches in length are made subject to the $200 transfer tax and dealers or manufacturers thereof to the $200 or $500 annual taxes. Under an amendment to the prior law, approved in 1938 to afford tax relief to sporting type firearms, the taxes on such shotguns were inadvertently reduced to $1 for transfers and $1 and $25 per annum for dealers and manufacturers, respectively.

3. Forfeiture of weapons subject to tax is provided in the case of possession, importation, transfer, or production in violation of the law. Prior law provided only for forfeiture for transfers or production in violation of the law.

## G. General admissions

The tax on general admissions is amended to exempt admissions to: (a) Rodeos and historical pageants if the proceeds are used exclusively for the improvement, maintenance, and operation of such rodeo or pageant; (b) athletic games between teams composed of college students if the entire proceeds inure to the benefit of a hospital for crippled children; and (c) baseball games if all the players have amateur or semiprofessional status and the game is not primarily conducted for profit. In the case of (a) and (c), the exemption applies only if no part of the net earnings of such events inures to the benefit of any private shareholder or individual.

# VIII. PROCEDURAL AND ADMINISTRATIVE MATTERS

The new code substantially simplifies and brings together in one place (subtitle F) the parts of the law relating to tax procedure and tax administration.

## A. Filing date

For calendar-year taxpayers, the filing date for individual income tax returns and for payment of tax is extended from March 15 to April 15. A similar one-month extension is provided for taxpayers filing on the basis of other fiscal years.

The filing date of the first declaration of estimated tax and the first quarterly installment payment by individuals is also extended from March 15 to April 15. However, no change is made in the dates for payment of the last three quarterly installments of estimated tax.

The alternative filing date for final individual income tax returns in lieu of declarations available to farmers is moved from January 31 to February 15. Other taxpayers are given the option of filing a final return on January 31, which relieves them of the requirement of a fourth installment on January 15.

The date for filing gift tax returns is postponed from March 15 to April 15.

## B. Declarations of estimated tax

The 1954 code simplifies the system of declarations of estimated tax and eliminates the filing of such returns for about one million taxpayers.

Prior law required a declaration from an individual whose income was primarily from wages or salaries subject to withholding if this income was expected to be more than $4,500, plus $600 for each exemption. An individual with over $100 of income from sources not subject to withholding was also required to file a declaration of estimated tax if he expected his gross income to be $600 or more.

The new code requires a declaration from a single individual with no more than $100 of gross income from sources other than wages and salaries subject to withholding only if his total gross income is expected to exceed $5,000. In the case of a married person with no more than $100 of gross income from sources not subject to withholding, no declaration is required if the combined gross income of the two spouses is not expected to exceed $10,000. The $10,000 exemption also applies to heads of households. An individual who expects to receive more than $100 of gross income from sources not subject to withholding is required to file a declaration only if his gross income is expected to be more than $600 per exemption plus $400.

The new code also replaces the old system of penalties for underestimate and underpayment of estimated tax with a uniform charge at the rate of 6 percent per annum of the amount of underpayment of an installment.

This charge is not imposed if the installment paid is at least equal to the installment which would be required if the estimated tax were equal to 70 percent (66-2/3 percent for farmers) of the tax shown on the final return. No charge is levied if the installment paid, together with the previous installments, equals the amount which would have been required if the estimated tax were equal to (1) the preceding year's tax, (2) a tax based on the preceding year's income with the current rates and exemptions, or (3) 70 percent (66-2/3 percent for farmers) of a tax computed by annualizing the experience of the portion of the year preceding the installment.

No additional charge will be imposed where the amount paid as an installment, together with previous installment payments, is equal to 90 percent of a tax computed on the income received from the beginning of the year up to the month in which installment is required to be paid as if that were a full year's income.

## C. Partial current payment of corporation income tax

Under a plan adopted in 1950, corporation tax payments were accelerated from four quarterly installment payments to two 50 percent installments, payable in the third and sixth month after the close of the taxable year. The transition to this system was accomplished over a five-year period beginning with 1950 and ending with 1954 tax liabilities. As a result of this transition, calendar year corporations paid 45 percent of their 1953 tax liabilities each in March and June of 1954, and 5 percent in September and December. Their 1954 tax liabilities will be paid in two 50 percent installments in March and June 1955.

The 1954 code adopts a new system of current tax payment applicable to the larger corporations. They will file a declaration of estimated tax and make a partial payment in the middle of the ninth month of the current taxable year and again in the middle of the last month of the year. When the transition to the new plan is completed, calendar year corporations will pay one-fourth of their estimated tax each on September 15 and December 15 of the current year, and the balance of their tax liability in two equal installments on March 15 and June 15 following the taxable year.

The transition to the new system will start in 1955, when 5 percent of the estimated tax for 1955 will be payable on September 15 and December 15, 1955. About 45 percent of the 1955 tax liability will then be payable each in March and June of 1956. The estimated tax payments will step up by 5 percent each year, with a corresponding reduction in the two final payments until 1960, when the four quarterly installment system will be fully operative.

Schedule of approximate tax payments for calendar year corporations under 1950 law (1949-54) and under 1954 code (1955-59)

[Percent of tax liability due in each installment]

| Income year | Income year | | Following year | | | | Total |
|---|---|---|---|---|---|---|---|
| | September | December | March | June | September | December | |
| 1949 | .......... | .......... | 25 | 25 | 25 | 25 | 100 |
| 1950 | .......... | .......... | 30 | 30 | 20 | 20 | 100 |
| 1951 | .......... | .......... | 35 | 35 | 15 | 15 | 100 |
| 1952 | .......... | .......... | 40 | 40 | 10 | 10 | 100 |
| 1953 | .......... | .......... | 45 | 45 | 5 | 5 | 100 |
| 1954 | .......... | .......... | 50 | 50 | .......... | .......... | 100 |
| 1955[1] | 5 | 5 | 45 | 45 | .......... | .......... | 100 |
| 1956[1] | 10 | 10 | 40 | 40 | .......... | .......... | 100 |
| 1957[1] | 15 | 15 | 35 | 35 | .......... | .......... | 100 |
| 1958[1] | 20 | 20 | 30 | 30 | .......... | .......... | 100 |
| 1959[1] | 25 | 25 | 25 | 25 | .......... | .......... | 100 |

[1] Since the percentages listed in the September and December columns for income year are based on the estimated tax which is computed by excluding $100,000 from the anticipated tax liability, the percentages listed in the March and June columns for the following year are approximate. The amount of corporation income tax remaining unpaid at the end of the taxable year must be paid in two equal installments on or before March 15 and June 15.

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Corporations with tax liability under $ 100,000 are exempt from the current payment requirements, and continue to pay their tax in two equal installments. In the case of those with tax liability in excess of $ 100,000, such requirements apply only to the portion of tax liability in excess of $ 100,000.

To insure compliance with the current payment plan, the provisions applicable to individuals prescribing a 6 percent charge for underpayment are, for the most part, made applicable to corporations as well. As in the case of corporations, exceptions are provided to allow for the fact that in the early part of the year taxpayers may not know what their income will be over the year.

## D. Information returns

The 1954 code eliminates the prior law requirement for information returns from persons making payments to another person, not in the course of a trade or business, where the payments are $ 600 or more and consist of rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income. These information returns are now required only from persons engaged in a trade or business. The provisions of prior law with respect to information returns by persons in the business of collecting foreign items and by corporations making interest payments are retained.

## E. Payment of taxes in foreign currency

A new provision of the 1954 code gives the Secretary or his delegate discretionary authority to allow payment of taxes in the currency of a foreign country under such circumstances and subject to such conditions as may be prescribed by regulations.

## F. Procedural and administrative matters

Other provisions clarify, simplify, and standardize the rules governing the assessment and collection of taxes, as well as abatements, credits, refunds, and penalties.

## G. Effective dates

The income tax provisions of the 1954 code, generally, are applicable to taxable years beginning after December 31, 1953, and ending after the date of its enactment, August 16, 1954. The estate tax provisions are effective with respect to estates of decedents dying after the date of enactment of the 1954 code. The gift tax provisions are applicable to gifts made in the calendar year 1955 and subsequent years. The miscellaneous excise tax provisions are effective for taxable periods beginning on or after January 1, 1955.

Procedural and administrative provisions relative to taxes imposed by the 1954 code are effective the day after enactment. Many general administrative provisions of the 1954 code are made applicable to taxes imposed by the 1939 code and are effective the day after enactment. The provisions of the 1954 code relating to assessment (general rules) collection and abatements, credits and refunds will become applicable to taxes under both the 1939 code and the 1954 code on January 1, 1955, and prior to such date the corresponding provisions of the 1939 code will remain in effect whether the taxes were imposed by the 1939 or the 1954 code.

Any provisions of the 1954 code not otherwise provided for became effective on the day after its enactment.

## Exhibit 43.--Letter of Secretary of the Treasury Humphrey, April 26, 1954, to the Chairman of the Senate Committee on the Judiciary, on a proposed constitutional amendment relative to taxes on incomes, inheritances, and gifts

My dear Mr. Chairman: In response to your letter of April 22, we are glad to have the opportunity to present the Department's views on S. J. Res. 23, "Proposing an amendment to the Constitution of the United States relative to taxes on incomes, inheritances, and gifts."

The constitutional amendment proposed by this joint resolution would repeal the sixteenth article of amendment to the Constitution and in its stead would give the Congress the power to tax income only under certain restrictions. The proposed amendment would also deprive the Congress of power to lay or collect any taxes on transfers of property at death or by gift.

With respect to income taxes, the general rule under the proposed amendment would allow the Congress to impose levies only up to a maximum rate of 25 percent. The amendment would further provide, however, that by a vote of three-fourths of all members of each House the Congress might fix a maximum top rate above 25 percent, for periods not exceeding one year each, if that rate does not exceed the lowest aggregate rate by more than 15 percentage points. Subject to this limitation different tax rates might be imposed on incomes of individuals and corporations.

This proposal would have far reaching effects on the financial structure of the Federal Government, and deserves careful consideration in the light of the existing needs and sources of revenues. To pay for the large defense expenditures forced on us by threats of foreign aggression and to finance domestic activities, tax rates have been pushed to admittedly high levels. The administration fully shares the desire to reduce tax burdens and is exerting every effort to cut back expenditures so as to permit further tax reductions. As the President pointed out in his broadcast to the Nation on March 15, we have made total savings of $7 billion in the spending program this year, and through tax cuts of approximately equivalent amounts these savings are being passed on to all taxpayers. The President also stated that further tax reductions cannot be made now without either seriously weakening our national defense or incurring large deficits.

The income taxes upon individuals and upon corporations are now the mainstays of our entire revenue system. In the past fiscal year, 1953, the net yield from individual income taxes was $29.8 billion and that from corporation income taxes $21.2 billion. These two taxes accounted for four-fifths of all budget receipts. While the estate and gift taxes, which yielded $891 million in fiscal 1953, are of less fiscal significance, they are important elements of the tax structure.

Under the general rule of the proposed constitutional amendment, all income tax rates higher than 25 percent would be reduced to that level. The effect of a top rate of 25 percent would be to cut the annual yield of corporation income taxes by $8.8 billion and individual income taxes by $3.5 billion. An additional $1 billion of revenue would be lost by elimination of estate and gift taxes, making the total revenue loss under the proposal $13.3 billion annually unless special action were taken each year.

Under the special rule provided in the resolution, some flexibility would be permitted in income tax rates. For instance, it would be possible for the Congress, by a three-fourths majority vote each year, to maintain the corporate tax at its present top rate of 52 percent provided the rate on corporations with small incomes were raised from 30 percent to 37 percent. It would be possible also to use the same 52 percent maximum rate for individuals provided the lowest rate imposed on individuals was raised from 20 percent to 37 percent. It is highly doubtful that such a high starting rate would be acceptable. If the present starting rate of 20 percent on individuals were maintained, the highest rates imposed upon individuals and corporations would be 35 percent. Under these assumptions the effect of S. J. Res. 23 would be a $7 billion reduction in revenues from existing levels.

While a redistribution of Federal tax burdens may be desired by many of our citizens, it is highly important that any such alteration be undertaken in a manner which does not disrupt the financing of the Government. The proposed constitutional amendment is negative in character. There is no assurance that if it were adopted there would be a corresponding reduction in Government spending or a development of alternative sources of revenue. While some flexibility would be provided since Congress is permitted to exceed the general limitation, this procedure would at best keep finances in a precarious position. The relaxing of the limitations would require annual legislation, and a failure to achieve a three-fourths majority in either House could precipitate a very large deficit.

In present circumstances the restrictive constitutional amendment proposed by S. J. Res. 23 would require a reconstruction of the Federal tax system. A sudden shift to other forms of taxation would have to be made on a scale that would be neither feasible nor, probably, acceptable to most prople. A financial breakdown could easily result.

The change in the Federal tax system that would be forced by this proposal would also seriously affect State and local governments. In the substitution of other forms of taxation, the National Government would have to resort mainly to types of taxes now being extensively utilized by other levels of government.

Our tax system is under continuing study by the Congress and the Treasury Department. These studies may well lead to proposals for changes in the relative significance of different sources of revenue. But the changes should be made systematically, and existing major sources of revenue cannot be restricted until substitutes are agreed upon. This balanced approach to tax reform can best be attained through the elected representatives in the Congress. Hence, while we agree with some of the objectives of the proposed constitutional amendment, the Treasury Department opposes the enactment of S. J. Res. 23.

The Director, Bureau of the Budget, has advised the Treasury Department that there is no objection to the presentation of this statement.

Sincerely yours,

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 44.--Miscellaneous revenue legislation enacted by the Eighty-third Congress, Second Session

Public Law 452, June 30, 1954, continues until June 30, 1955, the suspension of certain import taxes on copper.

Public Law 517, July 22, 1954, "Revised Organic Act of the Virgin Islands," provides that inhabitants of the Virgin Islands shall satisfy their United States income tax liability by paying their taxes to the Treasury of the Virgin Islands and provides other amendments relating to the internal revenue collections, and the disposition thereof, on articles produced in the Virgin Islands and transported to the United States.

Public Law 538, July 27, 1954, authorizes the Supreme Court of the United States to make and publish rules for procedure on review of decisions of the Tax Court of the United States.

Public Law 559, July 30, 1954, permits suits against the United States in district courts for recovery of taxes regardless of the amount involved and allows jury trials in such suits.

Public Law 595, August 16, 1954, modifies the duty and import taxes on the importation of wood dowels.

Public Law 678, August 27, 1954, continues until June 30, 1955, the suspension of duties and import taxes on certain metal scrap.

Public Law 703, August 30, 1954, "Atomic Energy Act of 1954," provides that after August 30, 1954, no contract shall be entered into, modified, or amended, by the Atomic Energy Commission to provide for direct payment or direct reimbursement of any Federal income taxes on behalf of the contractor performing the contract.

Public Law 729, August 31, 1954, amends the Internal Revenue Code to permit the filling of oral prescriptions for certain drugs.

Public Law 768, September 1, 1954, "Customs Simplification Act of 1954," includes a technical amendment to the Revised Organic Act of the Virgin Islands relating to taxes imposed on articles imported from the Virgin Islands.

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# INTERNATIONAL FINANCIAL AND MONETARY DEVELOPMENTS

## Exhibit 45. --Announcement, February 18, 1954, by Secretary of the Treasury Humphrey of the signing of a stabilization agreement between the United States and Peru

Secretary Humphrey today announced the signing of a Stabilization Agreement between the United States and Peru. The agreement was signed by Ambassador Berckemeyer on behalf of his government and the Central Reserve Bank of Peru.

Under the terms of this agreement, the United States Exchange Stabilization Fund undertakes to purchase Peruvian soles up to an amount equivalent to $12.5 million for the purpose of stabilizing the United States dollar-Peruvian sol rate of exchange if the occasion for such use should arise. It is understood that Peru has also entered into an agreement with the International Monetary Fund whereby that institution agrees to make available up to $12.5 million for the same purpose. The two agreements therefore can provide up to a total of $25 million to assist Peru in stabilizing its currency.

Observing that Peru has maintained its international trade and payments substantially free from governmental restrictions, Ambassador Berckemeyer advised the Treasury of his government's intention to preserve this freedom by pursuing sound fiscal and monetary policies. He said such policies will enable Peru to maintain a strong currency internationally and contribute to Peru's ultimate objective of exchange rate unification and the establishment of a fixed rate of exchange.

Operations under the agreement with Peru will be closely coordinated with the activities of the International Monetary Fund in order to contribute to the efforts of the Fund to stabilize the exchange relationships of its members.

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## Exhibit 46. --Press release, April 17, 1954, on the change in rate of the Mexican peso

The Treasury Department today stated that Mexican Government officials had outlined the situation and reasons which led to the change in the rate of the Mexican peso in which the International Monetary Fund has concurred.

The Mexican authorities reported that the deficit in the balance of payments and an outflow of funds had put increasing pressure on the reserves of the Bank of Mexico and they felt that the only feasible course was to establish a new rate of exchange between the Mexican peso and the dollar. The Mexican authorities stated that by taking this course they would be able to avoid restrictions on the traditional freedom of exchange transactions in Mexico.

The United States-Mexican Stabilization Agreement remains in force. This agreement between the United States Treasury and the Mexican Government provides that the United States Treasury Stabilization Fund will purchase Mexican pesos up to an amount equivalent to $75 million. No purchases of Mexican pesos have been made under the agreement.

## Exhibit 47.--Statement by Deputy to the Secretary Burgess before the Subcommittee on Federal Reserve Matters of the Senate Banking and Currency Committee, March 29, 1954, on gold

I welcome this opportunity to appear before you to discuss the important subject of gold.

This committee is considering bills which raise three questions of gold policy. S. 2332 would put the United States back on the gold standard as we knew it prior to 1933. S. 13 and S. 2364 would establish a domestic free market for gold, and the fourth bill, S. 2514, involves, among other things, the question of an increase in the official price for gold. It is appropriate that the Congress should examine these questions.

Various aspects of these questions were reviewed by subcommittees of the Joint Committee on the Economic Report under Senator Douglas in 1949-1950 and Congressman Patman in 1952.

From the founding of our Nation until 1933, with interruptions in time of serious war, the dollar was firmly attached to gold. The gold value of the dollar, established under Washington and Hamilton, was not changed, except fractionally, for over 140 years. The confidence in the value of the dollar which this helped instill in our people and the people of other countries was one of the foundations of the Nation's spectacular economic success.

All business life depends on the making of promises, commitments, and their fulfillment. Lending and borrowing money, contracts to buy and sell goods and services, savings and investments all depend on confidence that money will keep its value. When this confidence is broken, as we have seen in so many countries, the economic life is disorganized and retarded.

The solid link between the dollar and gold is a valuable heritage. Fundamentally, of course, the confidence of the people in their money must lie in their faith that their government will conduct itself efficiently and prudently, that all of its policies, and particularly its budgetary and fiscal and monetary arrangements, will be honest and competently conducted. Nevertheless, a fixed relationship between gold and the currency of a country gives an added element of confidence and security.

In recent years the link between the dollar and gold has represented a basic stable relationship in an unstable world economy. Economic values the world over have been measured in terms of the United States dollar.

### Our present gold policy

Now, I should like to review just what our present gold policy is, and how it got that way.

You will recall that in the banking holiday in March 1933 we stopped redeeming currency in gold, and in April, under emegency legislation, the public was required to surrender gold coin and gold bullion to the Government.

The Agricultural Adjustment Act of May 1933 gave the President power to alter the gold content of the dollar. Under emergency authority a series of increases in the price of gold was made. The Gold Reserve Act of 1934 in effect confirmed the previous emergency actions and gave the Secretary of the Treasury broad powers in buying and selling gold and issuing regulations with respect to gold. Thereupon the President, in January 1934, established the dollar value of gold at $35 per ounce, an increase of 69 percent from the value maintained for over 140 years.

Since January 1934 there has been no change in the official price of gold. The President's power to change the gold content of the dollar lapsed in 1943. The Bretton-Woods Act of 1945 in substance terminated the power of the Secretary of the Treasury to buy or sell gold at other than the established price of $35 an ounce.

Under present laws and regulations this country is on what may be termed an international gold bullion standard. We buy and sell gold freely with other countries through their central banks and treasuries at the price of $35 an ounce, plus or minus a handling charge of one-fourth of one percent.

We do not coin gold. We do not allow our citizens to hold gold except in industry and the arts and as jewelry, or collectors' items. Individuals and businesses cannot export gold without license. Our citizens can buy gold dust but have shown little interest in doing so.

Our rules governing our citizens in these matters are basically similar to those of other countries with developed economies. There is no one of these countries where the central bank or treasury redeems its currency freely in gold coin, though in a number of countries the citizens can buy gold in a so-called "free market," at whatever price it may be available.

Since the removal of unnecessary restrictions on the citizen is a steadfast objective of this administration, we are reviewing the regulations concerning gold, in an endeavor to find ways in which we may reduce the administrative burdens which they impose on individuals and firms. We hope that present conditions in the world's economy will permit us to publish soon certain simplifications of the gold regulations, which I believe will be welcomed, although they will not involve any modification of our general gold policy.

The object of our policy and regulations is to protect our gold reserves, which support the value of money and can be used to settle international balances. The United States holds $22 billion of gold out of the world's monetary stock of gold of $36 billion. This huge stock of gold is a bulwark for confidence in the value of currency. In a world of great uncertainties it is one of the anchors of value on which business transactions depend.

It has been said sometimes that the gold in Fort Knox and other mint institutions is idle and useless. Nothing could be less true. This gold is the legal reserve of the Federal Reserve System against its deposits and currency in circulation. The knowledge all over the world that the United States dollar has back of it this stock of gold coupled with the intention and the assured ability to maintain a constant price of gold; is at least one firm basis for measuring world values. It is a major reason why the dollar can be used everywhere to settle international transactions.

In summary, this is our present gold policy: we are maintaining an assured ability to support a constant relationship between gold and the dollar, a relationship which is as important to foreign countries as it is to us.

This continuing and unchanging link is, in fact, the most important part of our policy. It is more important than the redeemability of currency into gold. It is a point of stability in a world which sorely needs a stable basis upon which to build a secure and healthy international economy.

## Changes in policy proposed by bills

One of the questions raised by the bills before you is whether it is now wise to reduce the restrictions which we have maintained to protect this monetary reserve. Can we safely now run the risk of letting both our own people and people elsewhere draw down this gold freely and perhaps dissipate it so that the strength of our monetary reserves is impaired?

It is the position of the Treasury that it would not be wise now to take the risk of a major step in relaxing restraints. We still live in a very uncertain world. A large part of the world's new gold production has been vanishing into gold hoards and becoming unavailable for monetary reserves. Until the public temper is one of greater security, it would be unwise to expose our gold freely to the hoarder.

In making basic changes of policy, it is desirable to act courageously and firmly. But it is just as important to avoid acting prematurely. Premature moves invite the possibility of having to reverse the steps taken, perhaps under crisis conditions. And a retreat from an important advance can cause damage which far exceeds the benefits derived from the original advance.

Since the end of the war the free world has experienced a series of crises. Some of these crises have been political in origin, arising out of the division between free nations and those dominated from Moscow. A state of international tension has been

punctuated at intervals by physical aggression or the threat of aggression. Each of these attacks upon the security of the world has caused widespread political unrest and, as always, people all over the world have sought the safety of gold during such intermittent crises. I wish we were able to predict, today, that there would be no further disruptions of this sort. Unfortunately, we cannot make that prediction and a prudent government cannot act upon a basis of wishful thinking.

Other crises which have swept the world in recent years have been economic in origin. When severe, these crises have shaken the exchange rates of the countries concerned. Whether severe or not, they have put pressures on their gold reserves. The United States gold stock has been a focal point which feels the impact of these crises.

Mr. Chairman, with your permission, I will place in the record a table which shows by years the gold stock of the United States, and the required legal reserves of the Federal Reserve System, and also foreign holdings of bank balances or short-term investments in the United States which are potential claims on our gold.

TABLE I.--United States gold reserve vs. requirements and potential claims, 1922-53

[In millions of dollars]

| End of year | U.S. gold reserves | U.S. required gold reserves | Foreign short-term dollar balances[2] | Total of 2nd and 3rd columns |
|---|---|---|---|---|
| 1922 | 3,506 | 1,686 | 1,009 | 2,695 |
| 1923 | 3,834 | 1,652 | 997 | 2,649 |
| 1924 | 4,090 | 1,599 | 1,237 | 2,836 |
| 1925 | 3,985 | 1,558 | 1,193 | 2,751 |
| 1926 | 4,083 | 1,564 | 1,639 | 3,203 |
| 1927 | 3,977 | 1,624 | 2,591 | 4,215 |
| 1928 | 3,746 | 1,621 | 2,483 | 4,104 |
| 1929 | 3,900 | 1,611 | 2,673 | 4,284 |
| 1930 | 4,225 | 1,562 | 2,335 | 3,897 |
| 1931 | 4,052 | 1,781 | 1,304 | 3,085 |
| 1932 | 4,045 | 1,967 | 746 | 2,713 |
| 1933 | 4,012 | 2,166 | 392 | 2,558 |
| 1934 | [1] 8,259 | 2,729 | 670 | 3,399 |
| 1935 | 10,124 | 3,610 | 1,301 | 4,911 |
| 1936 | 11,422 | 4,101 | 1,623 | 5,724 |
| 1937 | 12,790 | 4,170 | 1,893 | 6,063 |
| 1938 | 14,591 | 5,099 | 2,158 | 7,257 |
| 1939 | 17,800 | 6,354 | 3,221 | 9,575 |
| 1940 | 22,042 | 7,897 | 3,938 | 11,835 |
| 1941 | 22,761 | 8,310 | 3,679 | 11,989 |
| 1942 | 22,739 | 9,997 | 4,205 | 14,202 |
| 1943 | 21,981 | 11,902 | 5,375 | 17,277 |
| 1944 | 20,631 | 14,350 | 5,820 | 20,170 |
| 1945 | 20,083 | 10,868 | 7,074 | 17,942 |
| 1946 | 20,706 | 10,731 | 6,481 | 17,212 |
| 1947 | 22,868 | 11,294 | 7,135 | 18,429 |
| 1948 | 24,399 | 11,894 | 7,156 | 19,650 |
| 1949 | 24,563 | 10,753 | 7,623 | 18,376 |
| 1950 | 22,820 | 11,005 | 9,222 | 20,227 |
| 1951 | 22,873 | 11,720 | 9,302 | 21,022 |
| 1952 | 23,252 | 12,055 | 10,731 | 22,786 |
| 1953 | 22,090 | 12,151 | 11,771 | 23,922 |
| 1954, Jan. 31 | 22,044 | 11,799 | 11,947 | 23,746 |

SOURCE.--Foreign short-term dollar balances: Department of Commerce, "The United States in the World Economy"; Board of Governors of the Federal Reserve System, "Banking and Monetary Statistics"; "Treasury Bulletin"; and "Federal Reserve Bulletin." U.S. gold reserves and required gold reserves: 1922-41 "Banking and Monetary Statistics"; and 1942-53 "Federal Reserve Bulletin."

[1] Includes $2,806 million, the increment resulting from the reduction in the weight of the gold dollar, January 1934.

[2] Data are based on three somewhat differing series, as follows: 1922-1928, estimates based on 1929 figure, adjusted for previous years by changes in foreign banking claims on the United States as published by the Department of Commerce; 1929-1933, as reported to the Federal Reserve Bank of New York by banks in New York City; 1934-1953, as reported to the Treasury Department by banks in the United States. Data represent short-term dollar balances of foreign official and private institutions and of international organizations. For the period 1944-1953, holdings of U. S. Government securities maturing within 20 months after date of purchase are included.

As shown in table I, between the end of World War II and the exchange rate adjustments of 1949, our gold reserves increased almost one-fourth, from twenty billion dollars to almost twenty-five billion dollars. The more realistic currency and price relationships which foreign countries achieved from the devaluations, and the added windfall from our large imports of goods after the fighting began in Korea, as well as the support afforded by the continuing flow of American assistance and United States Government expenditures abroad, caused foreign reserves to rise; so that our gold stock fell to twenty-two billion dollars by the middle of 1951.

Then, as foreigners again began to demand relatively more of our goods, they once more found it necessary to send us gold. Our reserves rose one and one-half billion dollars between August 1951 and April 1952.

There soon followed a substantial improvement in the economic stability of important countries overseas. This greater stability was reflected in a renewed outflow of gold from the United States. We have sold one and a half billion dollars worth of gold to foreign countries in the last eighteen months.

This ebb and flow of strength and confidence in foreign countries, which in large part accounted for these successive increases and decreases of our gold reserves, was reflected also in changes in the price of gold in markets throughout the world. This is shown in the second table which I should like to lay before the committee.

TABLE II. --Free market gold prices

[In $ per fine ounce for bar gold, converted at free market rates of exchange]

| Date | Paris | Hong Kong | Beirut |
|---|---|---|---|
| Dec. 31, 1947 | ..................... | 52.06 | ..................... |
| Dec. 31, 1948 | 49.54 | 48.76 | ..................... |
| Dec. 31, 1949 | 46.30 | 40.18 | 41.63 |
| May 31, 1950 (pre-Korea) | 38.48 | 37.31 | 36.26 |
| July 31, 1950 (post Korea) | 43.39 | 44.59 | 39.14 |
| Dec. 31, 1950 | 43.05 | 44.47 | 40.13 |
| Dec. 31, 1951 | 41.38 | 42.71 | 39.00 |
| Dec. 31, 1952 | 38.95 | 40.48 | 37.81 |
| Dec. 31, 1953 | 35.62 | 37.25 | 35.57 |
| Feb. 27, 1954 | 35.86 | 37.58 | 35.31 |

SOURCE.--"International Financial Statistics."

The figures in this table, derived from publications of the International Monetary Fund, are for gold bars and you will note the fluctuations in price and the recent trend toward lower prices.

Prices for coins were higher. Even now, when conditions are more stable than at any time since the end of World War II, gold sovereigns are selling at the equivalent of about $40 an ounce in various markets.

Another way of judging world psychology about gold is to observe the amount of new gold production which has been going into world monetary stocks as compared with the amount going into hoards or into industry and the arts. This is shown in table III.

During periods of strict wartime controls, almost the whole of new production went into monetary reserves and, indeed, even more as many nations required their people to turn their gold into government stocks. At other times there has been great variation in the use of new gold. In 1951 only seventeen percent went into monetary reserves. In 1952 it was better, thirty-seven percent, and for 1953 it is estimated at forty-nine percent.

These facts demonstrate the powerful and capricious forces which could be focused upon any stock of gold coins or other forms of monetary gold permitted to circulate freely within the United States. If coins were circulated, they would be subject to the pull of demand from overseas sources, a demand which would rise and fall with every political and economic turn of events.

TABLE III.--World official gold reserves and gold production (excluding Russia)

[Gold at $20.67 per ounce to 1933; $35 beginning with 1934. Partly estimated. Dollar amounts in millions]

| Year ended Dec. 31 | Year-end total | Increase during year | | | New production | Column (2) as percent of Column (5) |
|---|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| 1913 | $4,073 | | Percent | | $433 | Percent |
| 1914 | 4,542 | $469 | 11.5 | | 412 | 113.8 |
| 1915 | 5,410 | 868 | 19.1 | | 443 | 195.9 |
| 1916 | 5,872 | 462 | 8.5 | | 432 | 106.9 |
| 1917 | 6,481 | 609 | 10.4 | 8-year average 9.0% p.a. | 403 | 151.1 |
| 1918 | 6,816 | 335 | 5.2 | | 373 | 89.8 |
| 1919 | 6,805 | -11 | -.2 | | 354 | -3.1 |
| 1920 | 7,256 | 451 | 6.6 | | 332 | 135.8 |
| 1921 | 8,045 | 789 | 10.9 | | 330 | 239.1 |
| 1922 | 8,415 | 370 | 4.6 | | 316 | 117.1 |
| 1923 | 8,608 | 193 | 2.3 | | 363 | 53.2 |
| 1924 | 8,904 | 296 | 3.4 | | 374 | 79.1 |
| 1925 | 8,904 | 0 | 0. | | 373 | 0. |
| 1926 | 9,149 | 245 | 2.8 | | 379 | 64.6 |
| 1927 | 9,496 | 347 | 3.8 | 11-year average 3.0% p.a. | 380 | 91.3 |
| 1928 | 9,966 | 470 | 4.9 | | 382 | 123.0 |
| 1929 | 10,189 | 223 | 2.2 | | 382 | 58.4 |
| 1930 | 10,696 | 507 | 5.0 | | 401 | 126.4 |
| 1931 | 10,996 | 300 | 2.8 | | 427 | 70.3 |
| 1932 | 11,566 | 570 | 5.2 | | 458 | 124.5 |
| 1933 | 11,589 | 23 | .2 | | 469 | 4.9 |
| 1934 | 21,685 | 10,096 | 87.1 | | 823 | 1,226.7 |
| 1935 | 22,660 | 975 | 4.5 | | 883 | 110.4 |
| 1936 | 24,090 | 1,430 | 6.3 | | 972 | 147.1 |
| 1937 | 25,990 | 1,900 | 7.9 | | 1,041 | 182.5 |
| 1938 | 26,160 | 170 | .65 | 7-year average 5.3% p.a. | 1,137 | 15.0 |
| 1939 | 28,100 | 1,940 | 7.4 | | 1,209 | 160.5 |
| 1940 | 29,870 | 1,770 | 6.3 | | 1,297 | 136.5 |
| 1941 | 31,100 | 1,230 | 4.1 | | 1,266 | 97.2 |
| 1942 | 32,170 | 1,070 | 3.4 | | 1,126 | 95.0 |
| 1943 | 33,000 | 830 | 2.7 | | 872 | 95.2 |
| 1944 | 33,380 | 380 | 1.2 | | 777 | 48.9 |
| 1945 | 33,770 | 390 | 1.2 | | 739 | 52.8 |
| 1946 | 34,120 | 350 | 1.0 | | 756 | 46.3 |
| 1947 | 34,550 | 430 | 1.3 | | 767 | 56.1 |
| 1948 | 34,930 | 380 | 1.1 | 10-year average 1.1% p.a. | 798 | 47.6 |
| 1949 | 35,410 | 480 | 1.4 | | 833 | 57.6 |
| 1950 | 35,820 | 410 | 1.2 | | 858 | 47.8 |
| 1951 | 35,960 | 140 | .4 | | 840 | 16.7 |
| 1952 | 36,280 | 320 | .9 | | 865 | 37.0 |
| 1953 | 36,706 | 426 | 1.2 | | 865 est. | 49.2 |

Note--Gold reserves include international financial institutions. Source of gold reserves and production data is Board of Governors of Federal Reserve System. Data on reserves for some years are subject to some statistical uncertainties and should be interpreted as approximations only.

In this connection, it should be noted from my first table that foreign countries and international institutions hold about $12 billion in short-term dollar balances in this country. Under present circumstances, these balances constitute no danger to our economy, but in a different situation, one in which gold could be drawn from the Treasury in unlimited amounts and hoarded or exported without limit, these balances could be troublesome.

Another fact emphasizes that underlying forces of instability still remain in the world. Except in the case of a few countries, international trade and payments are still hedged

around by a multitude of administrative and political controls such as quotas, excessive tariffs, and exchange controls.

When more restrictions have been removed and convertibility has been restored at least among the principal currencies, we shall be freer to consider the return to gold redemption. If we were to try to force the pace by resuming gold payments before the foundations were more firmly laid through a continuation of recent policies toward sounder budget, credit and price practices, the gold released in this country might simply move out into hoards, and become the tool of the international speculator. Gold payments are the seal of approval of good money, and the free world has not yet gone far enough in the achievement of good money. It is doubtful whether the United States should consider gold redeemability of its currency until other major countries are ready and able to do likewise.

## Free gold market

The same factors which make it unwise for us to return to a gold coin standard now also argue against the opening of a free gold market in the United States, which is recommended in two of the bills before the committee.

Under such a free market there would be two alternatives: Either the United States Government, with its $22 billion in reserves, would stay out of the market, and we would have a gold price that fluctuated up and down depending upon the demand for a relatively small amount of new gold production; or the Government would stand ready to buy and sell gold at the official price to prevent fluctuations. The first alternative would tend in the opposite direction from our ultimate goal, it would be in the direction of more instability instead of more stability. The second alternative would be, in effect, full convertibility of the currency into gold.

## Price of gold

Another bill before the committee suggests that we increase the price of gold. We believe that such a move would be against the best interests of the United States and our foreign friends. An increase in the price, with the consequent upward revaluation of this country's gold stock, would be contrary to the program of maintaining stability in our economy. A revaluation of the gold stock could set in motion long-term inflationary forces through increases in the volume of money, and in additions to the reserves of the banking system, which would provide the basis for a large potential expansion of money and credit, out of proportion to the business volume.

Furthermore, such a move would upset a relationship which has been of great importance to ourselves and to the world. The value of the dollar is firmly linked to gold. With only one major change this has been true throughout the history of our country, under administrations of both parties. Our people, and foreigners as well, have come to think of the dollar as a secure currency, steadfastly defined in terms of a specific amount of our basic monetary metal. This is a relationship which should not be disrupted. It would be a grievous error, particularly at a time when the world is achieving some element of stability, to open up the possibility that this Nation was prepared to make periodic devaluations of its currency in terms of gold.

## Progress being made

In spite of the instabilities and dangers which remain, the world is making progress. That is the final point I wish to make here today. The prospects for a stable free world economy are better today than they have been for a very long time. Step by step, in a countless number of ways, a healthier world economy is being constructed.

There has been a marked improvement in the underlying stability of the free world economy. Many countries have improved their balance of payments, strengthened their monetary reserves, and continued to increase their production.

All of this is happening quietly and without fanfare. Economic collapse makes good headlines, but the road back to good money and economic health is usually less dramatic. We are therefore likely to be unaware of how much forward progress is being made until long after the event.

Nevertheless, if we look carefully at the record of the last year, we are able to find many reasons for optimism. Many steps forward, none of them world-shaking but each of them a step in the right direction, have taken place.

Discriminations against dollar goods, have been reduced, and in one case at least, eliminated. Recent moves have been made to reduce the complexity of arrangements with regard to sterling, the guilder, and the Deutsche Mark. General markets for the sale and purchase of important commodities have been reopened. In many countries, internal finance has been brought under control, and international payments have been brought more nearly into balance.

Trade and payments, while still not so free as we would like, are freer than at any other time since the end of the war. Foreign countries have increased their gold and dollar balances by about $8 billion in the past four years. The need for United States aid is lessening. All of these developments bring us closer to the day when foreign countries will find their economies sufficiently stable to permit the convertibility of their currencies and the freer movement of commerce. These are goals which we are striving for. In the words of the Commission on Foreign Economic Policy "convertible currencies constitute an indispensable condition for the attainment of world-wide multilateral trade and the maintenance of balanced trade in a relatively free market."

We are making progress. There is a firmer determination, not everywhere but in many important countries, to turn away from the politically easy thing and toward the economically necessary thing, in the conduct of national affairs. The determination to bring budgets under control, to avoid credit inflation, to look outward as well as inward--these are progressing at a hopeful rate. If these developments can be encouraged and continued, they will pave the way for further stability and further relaxation of controls.

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## Exhibit 48.--Statement by Deputy to the Secretary Burgess before the Senate Banking and Currency Committee, June 15, 1954, on the Export-Import Bank

On behalf of the Secretary of the Treasury, I am glad to appear before this committee in support of Senate bill 3589, which has been introduced by Senators Capehart and Maybank jointly.

Let me first express our appreciation for the great amount of time and thought that Senator Capehart and other members of the committee have given to this whole question of Government lending policy. The trip which the chairman and some of his associates made through South America was an evidence to the Latin American countries of the great interest the people of this country take in their welfare. This visit and ensuing studies have helped our international relations and our thinking on these questions.

The passage by the Congress of this bill will constitute public notice that the Export-Import Bank is prepared to carry forward actively and vigorously its purposes of facilitating trade both in this hemisphere and other world areas.

One provision of the law increases the lending power of the Bank by $500 million, to $5 billion. While the Bank now has considerable unused lending power, something over $1 billion, this addition to its potential resources enables it to plan its future operations with greater confidence.

In practice, the real limitation on lending by this institution is not in its legal authority. The limitations are rather in the quality of the loans, to make sure that they are in the interests of both the American exporter or importer and the foreign borrower. Since the war, for example, many of the countries of Latin America have been swept by a wave of inflation which has created great economic uncertainties, and, in some countries, political conditions have been unstable.

The statutes of the Bank provide that its loans must offer reasonable assurance of repayment, and there has been no suggestion for a change in this provision. There is

no lasting advantage in making dubious loans. The success of the Bank will also be measured by the extent to which its operations encourage and pave the way for private financing.

It is our present hope that the sound fiscal and monetary policies which a number of countries in Latin America and elsewhere are endeavoring to follow will provide the basis for additional lending by the Export-Import Bank, and by private business and banks, to finance further economic progress and stimulate growing trade to our mutual advantage.

Another section of the bill provides for a working Board of Directors of five members, who will give all their time to the work of the Bank. This is a change from the reorganization plan of a year ago, which put the Bank under a single administrator, following a pattern of reorganization which was applied to a number of Government agencies with the aim of simplifying their operations.

A year's experience with operations under this plan has provided evidence of the desirability in the case of this Bank of having a small working Board of fulltime directors, while retaining administrative authority in the chief executive officer of the Bank. This is not a return to the organization prior to last year but, in some measure, lies between that plan and the operation under a single administrator.

The making of loans in foreign countries which will offer reasonable assurance of repayment, and which will further the purpose of increasing foreign trade, involves exacting and difficult decisions. It involves travel and intimate acquaintance with the operations and the people financed. It is desirable that the head of the Bank should share this responsibility with a working Board of Directors. We also believe the morale of the Bank will be higher, and service in it will be more attractive.

As President Eisenhower pointed out in his announcement last Thursday, the coordination of the lending policies of the Export-Import Bank and those of other Government foreign lending agencies will continue to be the responsibility of the National Advisory Council, composed of Cabinet members and others who have responsibility in this field. Under this bill, the President of the Export-Import Bank is restored to membership on this council.

The bill before you has had the careful consideration of executive departments and, in behalf of the Treasury, I recommend its passage.

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## Exhibit 49.--Remarks by Assistant Secretary of the Treasury Rose before the World Trade Conference, Washington, D. C., May 17, 1954

I want to talk to you today about the significance of customs procedures to United States world trade.

On March 30, the President, in the light of the Randall report, defined the broad objective of our foreign trade policy in the following words:

"The national interest in the field of economic policy is clear. It is to obtain in a manner that is consistent with our national security and profitable and equitable for all the highest possible level of trade and the most efficient use of capital and resources. . . . ."

Bills have already been introduced in Congress, and others will follow, covering the various elements of the March 30 message on foreign economic policy.

There are many important aspects of it; but I want to concentrate on the one that is closest to the field of my own departmental responsibility. That is the relationship of customs procedures to the objective which the President has stated.

My reason for this is that, in the year or so in which I have been dealing with the problem, I have become convinced that business-like customs procedures are of sub-

stantial importance to our world trade. I know that many of you are among those who do realize it; the Randall report has emphasized it; but nevertheless I would like to describe my own reasons for feeling this way and then go on to indicate what we have done so far about the problem as we have seen it; what good we think this has accomplished; and what more we can do and should do in this direction.

The three main criticisms that have come to me regarding customs procedures have been uncertainty, undue complexity, and delay. Before I evaluate these three, I should like to say that in the fifteen months of my close association with it, I have come to have a high regard for the efficiency, integrity, and quality of the Customs Service and its personnel. Nevertheless, partly because of the statutes under which it operated, and partly because of procedures which have been inherited from an earlier day, there has been some validity to each one of the three criticisms that I named.

The Randall report described their effect in these words:

"The present complexities of customs administration are a significant deterrent to imports; more importantly, they create irritations which are detrimental to our total foreign relations."

The psychological effect of uncertainty or delay in a particular case may be entirely out of proportion to its economic importance. For example, a change in classification was made that increased the duty on a certain commodity. I have been told that this action was sufficient to cause a discussion in the legislature of the originating country, even though it exported to us only $36,000 worth ot this commodity in a whole year. Though the amount involved was trivial, the incident was thought to have symbolic importance to other exporters as perhaps indicating that a policy existed in this country to restrict imports by reclassification of commodities.

I have had many an importer complain to me that while his goods were physically processed through customs with sufficient speed, the delay in figuring his final bill for duties was a real handicap to selling them.

To indicate the size of this problem of delay which we faced a year ago and what has been done about it since then, let me give you a few facts about the Customs workload and backlog.

The best measure of the Customs workload is the number of shipments of goods entering the country and the number of people and vehicles that come in each year. The figures for the first full postwar fiscal year, June 30, 1946 - 1947 compare as follows with those of fiscal 1953:

The number of shipments that entered this country rose from 541,000 to 981,000, or 81 percent; the number of carriers, including ships, automobiles, trains, and airplanes, rose from 18.1 million to 30.9 million, or 70 percent; and the number of people crossing the borders increased from 78.9 million to 117.9, or 49 percent. These figures cannot be averaged out in terms of a single measurement of workload; but in the various categories the increase ranged from 50 to 100 percent.

In spite of various important steps that were taken to increase productivity, the Customs Service had not been able to keep up with this increased workload during this period. It had, of course, to process currently all of the people and the baggage they bring with them, because you cannot let people stack up on the docks and piers, or in automobiles or trains at the borders. The customs procedures had also succeeded, by and large, in currently processing the freight shipments that had come in, so that the physical merchandise itself had entered the country without any substantial delay. However, Customs had fallen substantially behind in the work of finally determining how much duty was owing. The backlog of unliquidated or unsettled import entries had grown from about 277,000 in 1947, or the equivalent of about one-half a year's work, to about 800,000 or almost a whole year's work at the increased rate of liquidation which had then been attained. And, as I pointed out, although the importer may have physically received his merchandise, an unliquidated entry is still an important matter to him because, until

final liquidation, he does not know the exact amount of duty, and this may make it difficult for him to determine the right selling price for the goods.

To sum up the problem, we found a current workload that had gone up 50 to 100 percent, and a backlog of unliquidated entries which had increased almost 3 times and represented the equivalent of a whole year's work at the prevailing rate of production.

The backlog of unliquidated entries continued to rise to its all-time peak of 886,000 on September 30 of last year. But then we turned the corner. The measures that had been taken began to make themselves felt. In six months we have reduced this backlog by more than one-fifth. This reduction is accelerating; and by the end of 1954 we expect the backlog to be down to a 60-to-90-day basis. So while the intermingled problems of complexity and delay in customs procedure have been by no means fully solved as yet, great strides have been taken in that direction.

Now, how has this been done? Not by adding more people or spending more money. Customs will spend a little less money, and employ somewhat fewer people, this year than last year, and next year than this year.

The solution was found in two approaches: First, in the areas where the statutes let us do so, to revise procedures and improve management in search of more efficiency; and, second, to ask for legislative changes where the statutes required inefficient or wasteful procedures. A large part of the legislative changes we recommended was enacted in the Customs Simplification Act of 1953. This act, which was the culmination of several years' study, cut down materially on the amount of unproductive work that Customs was required to do by statute, and eliminated many of the cumbersome and outmoded procedures that had accumulated in the enactments of more than a hundred years.

One of the most helpful steps was the repeal of obsolete accounting procedures. Previously, the Customs had been required to conduct a 100 percent audit of every entry, whether the goods were dutiable or free. The repeal of this provision allowed us to begin the installation of a modern accounting and internal audit system. The effect of this one change has been to expedite the final determination of duties payable on individual importations and to free a substantial number of experienced employees for more productive work. These people thus released have contributed greatly to the reduction of backlog which I have described.

We are therefore exercising such limited administrative discretion as we had before the Customs Simplification Act was passed, and also the additional discretion which that act gave to us. What we are doing is simply to apply modern management techniques and methods which are common to most progressive business concerns. Means of measuring workload and manpower requirements have been developed and instituted; certain operating practices have been modernized, streamlined, and simplified; and in some instances, the basic organizational structure in the field offices has been reset.

Customs has 44 ports of entry in this country; now for the first time we are in a position to know with some precision the rates of production of each, in each department of its activity. As a result, we find that some offices have almost completely worked off their local backlogs. Others, while they now seem to be staffed appropriately for normal current workload volume, still have a substantial backlog. In such cases the backlogs are being moved to the offices with little or no backlogs of their own but with some indicated capacity beyond their current load. In short, Customs is increasingly adopting the flexible, informed management techniques that one expects of a modern well-managed American business.

I have given you a very general statement of the way in which procedures have been improved; and I should like to add just one concrete illustration of what that has meant to the travelling and importing public.

Last year we made a change in the method of examining passengers' baggage. The instructions previously in effect called for examining every piece of every passenger's luggage. To take New York as an example, the cost of this examination at that port was running about $1 million a year. The total amount of import duty collected on passengers' baggage in New York was also about $1 million a year. Most of this, of course, was on articles voluntarily declared and only a small fraction came from undeclared articles

picked up by the examination procedures. This seemed like an obvious place not only to save some money, but also to expedite. Care had to be taken, of course, not to do anything that would let down the bars to smuggling.

A statistical and trial survey showed that satisfactory and effective results could be obtained by examining at least one arbitrarily selected piece of the baggage of every passenger; examining all the baggage of some passengers; and of course, more intensive examination of all of a passenger's luggage and, if necessary, of his person, whenever suspicious circumstances exist.

Because passenger liners arrive at New York at irregular intervals, Customs cannot afford to maintain a permanent staff of employees for baggage examinations only. The men normally are on duty at the freight piers processing commercial shipments, and are temporarily assigned to passenger piers whenever required. Thus, it is as important to commercial importers as it is to the travelers to shorten the time it takes to process passengers, and this new procedure has accomplished it. It often used to require 4 to 5 hours to clear the pier after the Queen Elizabeth had landed. Now the last passenger is through with his customs examination within 2-1/2 to 3 hours. The new procedure thus has greatly speeded up the process, and we are convinced that it has not decreased the practical protection against smuggling.

This, then, is what we have been doing to reduce the interlocking problem of complexity and delay in customs procedures.

We are equally concerned with the problem of reducing an uncertainty in various phases of Customs work, and achieving a better understanding at home and abroad of the principles that will be applied in a given situation. I may illustrate the importance of this objective by a single example:

First, as I indicated above, customs procedures properly provide that an American manufacturer can challenge the classification of an import, and that if, after proper notice and consideration, Customs decides the ruling should be changed, it can revise that classification. There have been fifty or so instances of this in the last half-dozen years which have resulted in an increase of duty. Most of these changes did not involve important volumes of imports; but they had a psychological effect beyond their economic significance. In some cases foreign exporters have interpreted these actions as part of a pattern of finding one device or another to discourage imports as they become important. This state of mind, whether justified or not, and of course it is not, can have a very damaging effect by deterring others from making the expenditures of time and money required to enter the American market.

There are several things that we can do about this. The first is to make known more widely the fact that over the same period there have been at least as many reclassifications of commodities that have reduced the duties on them. Thus we can to some extent rebut the mistaken notion that reclassification is used as a tool to discourage imports. Then in view of the fact that foreign and domestic businesses come to depend on a classification once decided, we in Customs can in the future more rigidly apply the principal changes which will be made, either up or down, only when the established classification is shown to be clearly wrong. And finally, the recommendations of the Randall report and of the President's message for simplifying commodity definitions and rate structures will be of substantial help.

Another large area of uncertainty and delay in which pending legislation would give us substantial help is the field of valuation of imports. The present provisions, with the judicial interpretations that have grown up around them, reach results which are in many cases commercially unrealistic, and for that reason produce situations which are unpredictable by any but the most experienced importers. Furthermore, by requiring in many cases an investigation of the value of merchandise in the home market of the exporting country, they require an amount of foreign inquiry which substantially delays the appraising of merchandise in many cases. These defects in present procedures would be largely cured by the Jenkins bill, which passed the House at the last session and is now

pending before the Senate Finance Committee; and the President, in his foreign trade message on March 30, recommended its enactment.

The matters which I have discussed are in one sense matters of detail, but from a considerable experience with American business, both as a lawyer and as a corporate director, I know how important details of this kind can be to individual business, and therefore to the level of United States foreign trade.

In the long run, the level of our exports depends upon the level of our imports; and our imports, in turn, depend on a host of individual decisions by foreign business men that it is worth a considerable expenditure of their time and money to enter the American market. Those decisions will be largely influenced by whether our customs procedures are simple and reliable. The simplicity and reliability of these procedures is therefore a vital foundation for the high level of imports on which depends the President's objective of a high level of foreign trade for the United States.

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## Exhibit 50.--Statement by Assistant Secretary of the Treasury Rose before the House Ways and Means Committee, June 22, 1954, on customs simplification

I very much appreciate the opportunity to appear before this committee in support of H. R. 9476, introduced by Mr. Byrnes, a member of the committee.

Just a little more than a year ago I testified before this committee on H. R. 5106, a substantial part of which was subsequently enacted as the Customs Simplification Act of 1953. I want to express to the committee both the gratitude of the Treasury Department and my personal appreciation for the important part you played in bringing about the enactment of the Customs Simplification Act of 1953. It has been the most important single development over the course of the last year and a half in bringing about a reversal of a trend of many years of ever-increasing backlog in Customs work.

The number of unliquidated or unsettled entries amounted to about 277,000 at the end of 1947. This backlog had increased to about 800,000 by the end of 1952. As of September 30 of last year the all-time peak of 886,000 unliquidated entries was reached. This meant that as of that date last year it would have taken the Bureau of Customs more than a year to complete then outstanding work if no additional imports had been made.

The Customs Simplification Act of 1953 was approved on August 8, 1953. Regulations putting the act into effect were published on September 9, 1953. Since that time there has been a continuing and, even more important, an accelerating rate of decrease in the backlog of unliquidated entries. As of May 31 of this year the backlog had been reduced to 699,000 and by the end of 1954 we expect it to be down to a figure in the range of 450,000. This will bring liquidations generally within 90 days of the date of entry, except for those where delays are occasioned by need for foreign investigations or by importers who file appeals for reappraisement or are untimely in furnishing necessary documents.

But this measure of success does not mean that we consider that most of our management improvement work has been completed. Both the Bureau of Customs and the Treasury Department fully support the President's recommendation that continuing efforts be made to modernize and improve the operating efficiency of the Customs Service with a view to making a periodic report to the Congress which would include recommendations for such legislative changes as are desirable to further simplify customs procedures. This bill, the Customs Simplification Act of 1954, we hope will be considered as the first proposal in that yearly schedule of suggestions for legislative action.

The Customs Simplification Act of 1953, as enacted, dealt primarily with general administrative problems involved in the operation of the Customs Service. A second large area of difficulty which has led to both confusion and delay arises out of the statutory requirements for customs valuation. A substantial measure of improvement would

be accomplished by the bill introduced by Representative Jenkins, H.R. 6584, which was reported by your committee and passed by the House of Representatives at the last session of Congress and is now pending in the Senate Finance Committee. A third category of problems, however, relating to classification, was untouched by the Customs Simplification Act of 1953 and by H.R. 6584. One of the principal purposes of H.R. 9476, the bill you now have for consideration, is to lessen these classification difficulties.

Problems of classification arise because every imported article must be found either to be dutiable or free of duty under one of the classification paragraphs of the Tariff Act of 1930 or another Customs law. It has long been recognized that a fundamental revision of the tariff schedules of the 1930 act is urgently needed. The management survey of the Bureau of Customs authorized by the 80th Congress and made in 1948 stated that the need for a complete review is indicated by the fact that 18 years had then passed since the last major changes in the basic law. Again this year the President's Commission on Foreign Economic Policy stated as one of its basic recommendations, to which there was no dissent, that a revision of the tariff classifications should be undertaken immediately.

The dutiable list of the Tariff Act of 1930 originally contained over 700 different tariff classification paragraphs, many of which contain a number of classifications. As a result of amendment, modification through trade agreement concessions, and administrative and judicial interpretation, it is now estimated that the total number has increased to some 8,000 distinct duty classifications. The confusion for the importer, the administrative problems presented to Government officers, and the possibilities for prolonged litigation are all apparent merely from a citation of these numerical possibilities.

These complications and confusions are made still worse by a number of additional factors. First, the Tariff Act of 1930 was enacted in the context of the commodities involved in international trade at that time. Since then many new products have been developed, particularly in the field of plastics and synthetics and electronics which are not adequately described in the Tariff Act. The determination of the proper classification in terms of 1930 descriptions or similitude to articles enumerated in the Tariff Act involves a continuing controversy and resultant uncertainty until a final decision for each disputed product has been rendered. Secondly, considerable difficulty in determining the proper classification among the 8,000 possibilities is added by the fact that the classification descriptions differ widely in form. Some are dependent upon the value of the whole article, some on the component of chief value, some on size, some on principal use, and others on still different bases. Third, application of the provisions of the Tariff Act of 1930 have resulted in some inequities and absurdities which under court decisions may only be corrected by a change in the classification description. Probably, the description in the Tariff Act which is most widely quoted in this connection is one in paragraph 1529 which requires that articles in any part of lace, fringe, or braid must be classified at the rate of duty applicable to lace, fringe, or braid, rather than the rate which the article would normally bear. Thus, men's dress suits with a piece of braid down the sides of the trousers pay a different duty than the same suits without such braid, and some rugs with fringed ends pay a different rate of duty than carpets not so fringed.

Title I of H.R. 9476 is directed to bring about a review of these difficulties and elimination of them through a modernization of the tariff structure wherever that is possible without a change in the amounts of duty, group by group, which would otherwise have been collected and without injury to domestic industry. The procedure proposed is that the Tariff Commission within two years of the enactment of this bill would complete a review of all tariff schedules and propose a revision and consolidation which would be logical in arrangement and terminology and adapted to changes which have occurred since 1930, which would eliminate anomalies in the existing classification of articles, and which would simplify to the extent practicable the determination and application of tariff classifications. It is provided that this revision should result, subject to certain required tolerances, in the collection of substantially the same amount of duties as would have been collected under the old rates. All tariff rates are required

to be stated in a specified series of multiples in order to avoid absurd fractional rates and minute differences between rates.

The Tariff Commission's proposed revision of rates would be published in the Federal Register and public hearings would be thereafter held to permit all interested parties to present any oral or written testimony.

After the conclusion of these hearings the Tariff Commission would review and revise its proposals and thereafter recommend them to the President. The President would determine whether the proposals of the Tariff Commission would result in a simplification of the tariff schedules and whether they are otherwise consistent with the purposes of the act and the national interest. If so, he would then negotiate the corresponding substitutions of revised trade agreements schedules with those countries with which the United States has trade agreements. For the purposes of this negotiation the President would be able to revert to preexisting rates if he found it necessary to do so with respect to any new classification or to revert to preexisting rates as to one or more articles in any new consolidated classification and ask the Tariff Commission to calculate a modified rate for the remaining items in the new classification.

These negotiations would be completed within one year. The President is authorized to proclaim the proposed revision after its submission to the Congress provided that within 60 days of continuous session neither House of Congress disapproved the plan in its entirety by a majority of its authorized membership.

We have two suggestions for improvement of this bill. We believe that the language beginning on line 20 of page 5 of the bill which precludes any rate change which would materially increase or reduce imports of any particular article might be construed to be unduly restrictive on the Tariff Commission. It is not the purpose of this bill either to increase or decrease imports by any change in rates. Nevertheless, in the course of any consolidation some rates will necessarily be changed as an incident to the averaging process and thus have some incidental effect on the level of imports of particular commodities. To prevent this might diminish the possibility that a meaningful revision of the tariff schedules will result.

We also believe that the reference back to Congress in accordance with procedure established under the Reorganization Act is not necessary and may cause some problems. The standards of this bill such as (1) the statement of the purposes to be accomplished; (2) the prohibition against any change in the amount of revenue to be collected; and (3) the prohibition against any change which would cause or threaten serious injury to domestic industry are all so explicit that the reference back to the Congress is not needed. These standards more than meet the tests of the Supreme Court of the United States as to the adequacy of standards for delegation by the Congress. The Attorney General of the United States has stated that he considers that this title, if enacted, without a reference back to Congress would be a constitutional delegation of authority.

The objections to the provision are that such a provision is contrary to the recommendation of the Commission on Foreign Economic Policy upon which the President based his proposals to the Congress.

In addition, such a provision is likely to create greater difficulties in negotiation of any changes in rates with trade agreement countries. Other governments are likely to argue that they should not be asked to make concessions if the agreement of the United States is conditioned upon a second look. I do not want to exaggerate this difficulty, but I do believe it may increase negotiating problems.

I realize that my outline of the procedure which would be followed indicates the complexities and difficulties involved. However, the job needs to be done if only to cure the obsolescence of the present provisions. It is generally agreed that the drafting of new language to fit tariff descriptions to the realities of international trade is a job for experienced technicians. We believe that this bill offers a reasonable opportunity to improve the present chaotic situation and, at the very least, will result in a thoroughgoing analysis by a competent body which will give a better guide to any further action needed.

Title II of the bill is intended to resolve one tariff classification complication pending the overall revision to be undertaken under Title I. At the present time paragraph 1559

of the Tariff Act provides conflicting and confusing standards for classification of imported articles which are not specifically enumerated in the Tariff Act. Each nonenumerated article is to be classified by similitude to any enumerated article to which it is similar either in material, quality, texture, or use. Alternatively, the so-called mixed materials clause requires nonenumerated articles manufactured of two or more materials to be classified at the highest rate at which the article would be subject if wholly composed of its component material of chief value. The suggested legislation would clarify this provision by repealing the mixed materials clause and specifying that nonenumerated articles should be classified according to similarity in use. Resort would be had to similarity in material only if the imported article is equally similar in use to two or more enumerated articles.

The remaining titles of H.R. 9476 are designed to eliminate obsolete provisions, correct procedures, and eliminate inequities involved in the administrative functions of the Bureau of Customs. These are matters which have been developed since your committee's consideration of the Customs Simplification Act of 1953.

The details of these provisions are explained in a section-by-section analysis of the bill which has been prepared and which I would like to incorporate as a part of my statement. For the purposes of my oral statement, and subject of course to any questions any member of the committee may have, I shall refer only briefly to the remaining titles.

Title III proposes certain minimum changes which we have found necessary in the antidumping law. These changes reflect only a small part of a considerable effort which has been devoted by the Department in attempting to make its administration of the antidumping law both speedier and more equitable. In this connection I would like to call your attention to proposed amendments to the regulations issued under the antidumping laws which were published in the Federal Register today, and which I would like to insert in the record.

We have found that determinations of injury to domestic industry are completely outside the ordinary scope of departmental activities. Consequently, the Treasury would have to build up a special staff to handle these determinations speedily and effectively. On the other hand, comparable determinations are a part of the every-day work of the Tariff Commission and we believe it would lead to over-all efficienty in Government operations to transfer this function to the Tariff Commission.

The other major change proposed is to limit the unfair retroactivity of dumping duties. At the present time the law requires that a dumping duty be levied on "all imported merchandise, of a class or kind as to which the Secretary of the Treasury has made public a [dumping] finding * * * as to which the appraiser * * * has made no appraisement report to the collector before such finding has been made * * *." Sometimes appraisement is not completed, frequently at the request of the importer, for considerable periods of time because of difficulties entirely unrelated to any question of dumping. If we are required to levy a duty on every unappraised entry, even where there is an element of such unfair retroactivity, it will increase the difficulties of administering the law. We are therefore proposing that the dumping duty should not be applied to imports made more than 60 days before the question of dumping has been presented to the Treasury Department.

Title IV would make uniform the application of tariff duties to importations from our insular possessions other than Puerto Rico which is part of customs territory of the United States. Difficulties arise because under existing law Customs enters free of duty manufactures from a number of our insular possessions. These insular possessions either have no duty or a very low duty. This has meant that under the present law the Bureau of Customs has had to admit free of duty certain watch movements from Guam where the only manufacture in Guam was fitting them in cases and even though the watch movements had not paid any duty when imported into Guam. This appears to be a loophole not intended by the Congress. Under Section 301, as amended, imports from the insular possessions would be free of duty only if foreign materials do not make up more than 50 percent of their total value.

Title V of H.R. 9476 as introduced was intended by consolidation to eliminate the confusion resulting from the overlapping language of two statutes, relating to the import protection to which trade-marks and trade names are entitled. In doing so we also proposed that Congress confirm an interpretation formally incorporated in the "Customs Regulations" last December, that trade-mark protection is not available to prohibit the importation of a product legitimately marked by an affiliate of the trade-mark owner. Since introduction of H.R. 9476 we have learned that this interpretation had not been widely known and that its continued inclusion in this bill would lead to prolonged testimony on the merits of the provision. Since the time remaining in this session of Congress would not permit any extended consideration, we have suggested that this provision be reserved for later consideration.

The customs law is an accumulation of provisions which have been enacted from the time of the first Congress. Many of these old provisions are obviously obsolete and inapplicable to the present organization of the Customs Service. As we find it possible to do so, we hope to recommend to the Congress the removal of these barnacles, and Title VI is solely directed to that purpose.

Title VII is a group of administrative provisions, particularly directed at permitting more efficient enforcement activity by the Bureau of Customs.

I respectfully urge your committee to give prompt and favorable consideration to these proposals.

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## Exhibit 51.--Remarks by Assistant Secretary of the Treasury Overby before the Milwaukee Association of Commerce and Milwaukee World Trade Club, Milwaukee, Wis., May 17, 1954

### International finance and the outlook for foreign trade

Tonight I should like to talk about international finance and the outlook for foreign trade. Since even interpretation of the present is sometimes uncertain, it is usually hazardous to talk about the future, particularly in this often unhappy world, marked by continuing political tensions, large defense expenditures, and even military hostilities. Despite the hazard, I should like to examine with you our foreign economic policy objectives and the progress we have made toward them. If I cannot be too precise about the future, perhaps I can nevertheless be cautiously optimistic.

In his foreign economic policy message to the Congress on March 30 the President said:

"The national interest in the field of foreign economic policy is clear. It is to obtain, in a manner that is consistent with our national security and profitable and equitable for all, the highest possible level of trade and the most efficient use of capital and resources. That this would also strengthen our military allies adds urgency. Their strength is of critical importance to the security of our country.

"Great mutual advantages to buyer and seller, to producer and consumer, to investor and to the community where investment is made, accrue from high levels of trade and investment. They accrue no less in trade from nation to nation than in trade from community to community within a single country. The internal strength of the American economy has evolved from such a system of mutual advantage."

Our foreign economic policy objectives are the counterpart of and are closely related to our domestic economic policy objectives as well as our national security aims. Our task in the free world is so to organize and conduct ourselves that we achieve maximum political, military, and economic strength and dynamic progress under a combination of economic and political freedom. We believe that adequate defenses against the forces of the international Communist conspiracy can be maintained here and in the free world

only if they are supported by sound and competitive economies marked by dynamic growth. Essential to such economic strength and growth are good money, an expanding flow of mutually beneficial international trade, and increased private investment--in short, a world of currency convertibility and nondiscriminatory multilateral trade. As the President said in his foreign economic policy message to the Congress on March 30, our program consists of four interrelated major parts:

> "Aid--which we wish to curtail;
> Investment--which we wish to encourage;
> Convertibility--which we wish to facilitate; and
> Trade--which we wish to expand."

With our political, military, and economic strength, we in the United States face an awesome responsibility, not only in providing leadership in the free world but in maintaining a strong and dynamic economy here at home. We are obliged to have military strength of sufficient power not only for our own defense but also to help promote peace in the world. But in view of the nature of the Soviet threat, we face not a brief period of sudden and sporadic defense expenditure as in the past, but a long period of maintaining high levels of defense. Since our defense expenditures are no longer a passing or temporary phenomenon, it is essential that our military posture over a long period of time be supported by an economy which preserves its economic and financial strength. And we must encourage initiative and further dynamic growth at the same time.

In our domestic economic policy this has meant the removal of controls and restrictions which have hampered initiative and interfered with the freer working of the market mechanism. It has meant trying to get better modern defense for the dollars we spend. It has meant the elimination or postponement of less essential Government expenditures and the reduction of the Government deficit. It has meant a beginning in reducing and revising overburdensome taxation which impairs initiative. And it has meant the freedom and independence of the Federal Reserve System to pursue its monetary policies for the general welfare.

Thus, our policies at home are directed toward economic stability and strength and growth, toward greater freedom from Government interference and control, greater freedom for the individual to pursue his business, spend his own money, and live his own life. Our policies aim at encouraging initiative and freedom and maintaining economic progress and a high level of economic activity at relatively stable prices, with neither inflation nor deflation. Such an economy we believe leads to high levels of demand and world trade on a sound and mutually beneficial basis and makes perhaps our greatest contribution to our friends abroad as well as to ourselves. Moreover, maintaining the strength and value of our United States dollar through sound internal finance and increased productivity is important not only to confidence and the encouragement of savings here at home. It is also a vital part of our contribution to international monetary stability and to the value of our convertible dollar as a stable point of reference, for the United States dollar has become the touchstone for all the currencies of the free world.

As we look abroad today, we find good reason for increased hopefulness for the freer and healthier and more unified trading and financial world we want. Strange as it may seem in the face of continuing political tensions and large defense expenditures, the free world is in much improved and very good shape in purely economic terms: in levels of production, of trade, and of real income.

Balance of payments deficits of most foreign countries have been eliminated or reduced. Production and trade have been maintained at high levels. In most countries budgets have been more nearly balanced and credit measures have been effective in keeping the growth of money supply moderate. Prices have been relatively stable.

In measuring the economic and financial progress that has been made and what we might expect in the way of improved opportunities for American exports, there is one statistic which does not tell us everything but which has important significance. That

is the gold and dollar assets held by foreign countries. As a result of improved conditions abroad and our continuing aid programs and large overseas expenditures, gold and dollar assets of foreign countries have increased in the last four years, since just after the major devaluations of 1949, by more than $8 billion, a gain of more than 50 percent; and the growth seems to be continuing. It is true that some of these gains in reserves have taken place in countries maintaining the very restrictions on imports of dollar goods which we seek to eliminate. And, we know how unsound internal monetary policies can dissipate reserves. But we are justified in being greatly encouraged by this improvement, a good part of which is firmly based on sound monetary and fiscal practices and improved competitive ability.

As our friends abroad further strengthen their economies and increase their gold and dollar reserves, we can see not only the end of our emergency programs of economic aid but we can also hope for some further relaxation or elimination of the artificial and discriminatory barriers to the sale of American products abroad on a competitive basis. In fact, part of the test of the strength of our friends' economies will come in the further removal of these discriminatory restrictions and greater exposure to the forces of competition from abroad.

Very real progress has already been made in the freeing of economies abroad and in the relaxation or removal of trade and exchange controls which have hampered the sale of our products in foreign countries. Notable gains in this direction have been made in such countries as the United Kingdom, the Federal Republic of Germany, the Netherlands, and Belgium.

The United Kingdom, for example, has been making steady progress in the past year or so toward restoration of a freer economy by removing controls over the internal economy and by taking steps to increase the freedom of United Kingdom residents to purchase abroad. Internally, food rationing has been steadily eased and will end completely in July; there are now few direct controls over raw materials; private building has been encouraged and restrictions substantially eased; price controls have virtually ended. Import restrictions have been substantially relaxed and Government trading in raw materials has almost ended. The range of raw materials, commodities, and manufactured goods which may be freely imported from the dollar area has been steadily broadened. As of April 1, 1954, the United Kingdom has decontrolled imports of grains, some oils and oilseeds, condensed and dried milk, and dried and other fruits. A futures market in grain again became operative, mainly for corn, barley, and other coarse grains. The Liverpool Cotton Exchange is due to reopen in May. Commodity markets have been reopened in Britain also for rubber, coffee, tin, cocoa, lead, zinc, aluminum, copper, and wool. Traders in these markets are free to import these commodities from any part of the world.

The steps which have been taken by many important countries in freeing and strengthening their economies and in relaxing their trade and exchange restrictions should also encourage the flow of United States private investment abroad. This is an integral part of the President's program. To this end the administration tax bill already passed by the House of Representatives contains provisions to encourage private investment abroad. Efforts are also being intensified to work out with other nations of the free world mutually acceptable rules for the fair treatment of foreign investment. In addition, the President has suggested to the Congress the desirability of broadening the existing authority to provide guarantees against loss on new investments abroad, where these losses are caused by war, revolution, or insurrection. At present, these guarantees may be provided only against the risks of expropriation and inconvertibility of currencies.

Basically, of course, if any extensively increased volume of United States private capital is to flow abroad, the foreign countries themselves must create a more receptive and favorable climate. Private capital cannot be driven to other countries, no matter how friendly. It must be attracted by the nation desiring the capital. United States private capital will be invested where conditions of political and economic stability and fair and equitable treatment provide it an opportunity for reasonable profit and assurance of remitting earnings.

In some foreign countries, the opportunities for American private capital are limited because of the lack of basic facilities, such as roads, port facilities, irrigation, and other fundamental services. For those development projects which may not be suitable for or attractive to private capital the International Bank for Reconstruction and Development, to which the United States has made important capital contributions, is the primary instrument through which the free world can cooperate in public financing of such economic development. In addition, the Export-Import Bank will consider on their merits applications for financing of development projects which are not being made by the International Bank, and which are in the special interest of the United States, are economically sound, are within the capacity of the prospective borrower to repay and within the prudent loaning capacity of the Bank.

The purposes of the Export-Import Bank are to aid in financing and to facilitate the foreign trade of the United States. Under the law it is to supplement and encourage and not compete with private capital and its loans should generally be for specific purposes and offer reasonable assurance of payment. In carrying out its fundamental purposes the Export-Import Bank is regularly receiving, considering, and approving exporter credits at the instance of United States suppliers which are within the terms of the act and which the Bank considers sound.

The future of our foreign trade will also be conditioned in an important degree by our willingness to import goods and services and thus make it possible for foreign countries to purchase our products. As our program of foreign economic aid is reduced, other countries will have to rely more largely on their sales to us to earn dollars for purchases here. In order to facilitate a freer movement of commerce across national boundaries within the free world, the President has recommended renewal of the Trade Agreements Act, authority for selective revision of our tariffs, the simplification of our customs administration and procedures, and the modification of our "Buy American" legislation.

Finally, and most basic of the President's proposals, from the point of view of our exports and of our broad objectives, are those which relate to the convertibility of currencies. One of the most important devices which foreign countries use to control their imports is to regulate the expenditure of their foreign exchange resources. To the degree that these regulations are relaxed, and each foreign currency freely exchanged for others, the easier it should be for us to sell our products in foreign markets. It will also benefit those who buy from us, since it will enable foreign purchasers to choose the supply available at the lowest price, irrespective of the source. This cannot now be done, with inconvertible currencies, because the availability of means of payment limits the range of choices by foreign buyers.

In his message to the Congress on foreign economic policy, the President said, "The Commission rightly regards positive progress toward convertibility as an indispensable condition for a freer and healthier international trade." The President approved the Commission's recommendations for cooperation in strengthening the gold and dollar reserves of countries which have prepared themselves for convertibility by sound internal and external policies and said the United States will support the use of the resources of the International Monetary Fund as a bulwark to strengthen the currencies of countries which undertake convertibility.

The initiative and responsibility for introducing currency convertibility must rest with the countries concerned. Fortunately such initiative is being taken. The United Kingdom and other members of the Commonwealth have met twice to consider plans for the convertibility of sterling and they and other important nations of Europe, such as the Federal Republic of Germany, have discussed their aims with us.

Throughout the postwar years the reestablishment of conditions of convertibility and nondiscriminatory multilateral trade has been a major aim of the United States Government. As we look about us in the world today, we find that trade and payments, while still not as free as we would like, are freer than at any time since the end of the war. Foreign countries have strengthened their internal financial stability, their competitive ability, and their gold and dollar reserves. Currencies are sounder. And perhaps most

important of all, more government leaders and people are abandoning economic restrictionism and controls and artificial values as instruments of policy. More and more they have turned to greater economic freedom and the value of stronger, more competitive economies.

As we enter a period when convertibility becomes closer, those of us concerned with trade and finance must recognize that the word "convertibility" is only a shorthand phrase which is intended to depict a certain kind of world. Convertibility means international trade and competition at realistic exchange rates with a relatively freely functioning and internationally competitive price mechanism. In its fullest sense it means the greatest possible absence of hampering restrictions, buying in the cheapest market, lowering costs and prices, and spreading technical improvements and new inventions to all parts of the trading world. It means sound and efficient production and trade at a high level and the best allocation of resources for the benefit of all of us.

Convertibility in its fullest sense means a world in which foreign countries have succeeded in balancing their international accounts, and expect to keep them in balance. It means a world in which a foreign country's goods can compete more freely with American goods in its own domestic market, in the United States market, and in third markets throughout the world. It also means a world in which American goods can compete in markets in which they have been previously restricted or even disbarred.

The American producer and trader has no fear of fair and free competition in a stronger world. With our enterprise and our productivity, helped by our freer economy here and such things as the tax revision bill and with renewed emphasis on our proven marketing ability, Americans will win a fair share of any market which is open in the manner which convertibility implies.

With more convertible currencies in the free world and with further relaxation of restrictions, we may expect that markets now closed will be opened to American goods and the total volume of trade and investment will be stimulated. With higher levels of trade and investment based on sound and efficient production and increased economic freedom we shall achieve, together with our allies, the freer, the more unified and more dynamic world of progress which is essential to our greater and sustained political, military, and economic strength and freedom.

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## Exhibit 52.--Remarks by Assistant Secretary of the Treasury Overby before the United States Council of the International Chamber of Commerce, New York City, December 16, 1953

### International Monetary Stability, Convertibility, and Economic Defense

My assignment in this panel is to discuss "International monetary stability in upholding economic defense." The title was not of my selection and I must confess I find it a rather forbidding one. But if you allow me a measure of freedom and the right to follow my own inclinations, which I do rather easily, I shall probably proceed, I hope not too illogically, from a discussion of economic defense to international monetary stability and then to convertibility. For convertibility is not just a technical state of monetary and economic conditions. It is, in fact, a philosophy of how the free world can best organize and conduct itself for maximum political, military, and economic strength and for dynamic progress under a combination of economic and political freedom.

In examining the bases for strength in the free world today, be they political, military or economic, one finds, I believe, that they are inseparable. Adequate defenses against the forces of the international Communist conspiracy can be maintained here and in the free world only if they are supported by sound and competitive economies marked by dynamic growth. Essential to such economic growth are sound money, an expanding flow of mutually beneficial international trade, and increased private investment, in short, a convertible world.

It is only through a truly convertible world, with a unified trading and financial community, that we will achieve maximum economic strength and the contribution which that can make to the political and military strength of the free world. Convertibility means international competition at realistic exchange rates, with a relatively freely functioning and internationally competitive price mechanism. It means the greatest possible absence of hampering restrictions, whether they take the form of restrictive tariffs, quotas, prohibitions, exchange restrictions, or other artificial supports or devices. It means buying in the cheapest markets, lowering costs and prices, and spreading technical improvements and new inventions to all parts of the trading world. It means sound and efficient production and trade at a high level and the best allocation of resources for the benefit of all of us. World-wide convertibility and nondiscriminatory multilateral trade provide the only basis for true economic integration and the strength which that can give to political and military objectives. Regional efforts at economic integration may have contributed to some degree to overcoming immediate postwar bilateralism but they run the danger of perpetuating sheltered markets and weak currencies. These weaknesses do not contribute to economic defense. The integration of the world's financial and trading community through general convertibility will provide the greatest measure of strength for the free world.

Because of our political, military, and economic strength, we in the United States face an awesome responsibility--not only in providing leadership in the free world but in maintaining a strong and dynamic economy here at home. One hears much these days, especially from abroad, of the action which the United States should take in the way of a more liberal trade policy, although the great strides we have made in this field are often overlooked as are the relatively greater protectionism and restrictionism in many countries abroad. These matters are important but possibly too much attention may have been directed to them. Leaving aside for the moment the actions which foreign countries can take, perhaps we in the United States tend sometimes to forget that our greatest responsibility, not only to ourselves but to our friends abroad, is to devote our highest intelligence and fullest energies to the very difficult job of maintaining economic progress and a high level of economic activity in the United States, and to do it at the same time we maintain honest money and relatively stable prices here, i. e., with neither inflation nor deflation. This is no easy trick. And since stability, like so many other things, should begin at home, perhaps a word on this subject is in order here.

We in the United States are obliged to have military strength of sufficient power not only for our own defense but also to help promote peace in the world. But in view of the long-term nature of the Soviet threat, what used to be abnormal in sudden and sporadic defense expenditures has, I fear, become normal. We must therefore face a long period of maintaining high levels of defense. Since this is true, and our defense expenditures are no longer a passing or temporary phenomenon, it is essential that our military posture over a long period of time be supported by an economy which preserves its economic and financial strength. And we must encourage initiative and further dynamic growth at the same time.

Without elaborating the details, here at home this has meant the removal of controls and restrictions which have hampered initiative and interfered with the freer working of the market mechanism. It has meant trying to get better modern defense for the dollars we spend. It has meant the elimination or postponement of less essential Government expenditures and the reduction of the Government deficit. It has meant a beginning in reducing overburdensome taxes which hamper initiative. It has meant the better management of our public debt. And it has meant the greater freedom and independence of the Federal Reserve System to pursue its monetary policies for the general welfare.

Thus, our policies at home are directed toward encouraging initiative and freedom and maintaining a healthy and growing economy at a high level of activity--with neither inflation nor deflation. Such an economy we believe leads to high levels of world trade on a sound and mutually beneficial basis and makes perhaps our greatest contribution to our friends abroad. Moreover, maintaining the strength and value of our United States dollar through sound internal finance and increased productivity is important not only to con-

fidence and the encouragement of savings here at home. It is vital as well as part of our contribution to international monetary stability and to the value of our convertible dollar as a stable point of reference in an unstable world--for the United States dollar has become the touchstone for all the currencies of the free world.

As we look abroad today, we find good reason for increased hopefulness for the free and convertible world we want. Paradoxical as it may sound in the face of continuing political tensions and large defense expenditures, the free world has probably never been in better shape in purely economic terms: in levels of production, of trade, and of real income. .

Balance of payments deficits of foreign countries have been eliminated or reduced. Production and trade have been maintained at high levels. Budgets have been more nearly balanced and credit measures have been effective in keeping the growth of money supply moderate. Prices have been relatively stable. As a result of improved conditions and our continuing aid programs and large overseas expenditures, foreign countries have, in fact, been able in the last 18 months to increase their gold and official dollar assets by more than 3 billions of dollars, a truly formidable increase, approximately equal to the total present gold and dollar assets of the International Monetary Fund. Some of these gains in reserves have, of course, been due to the very restrictions on imports of dollar goods which we seek to eliminate. And, we know how easily unsound internal monetary policies can dissipate reserves. But we are justified in being greatly encouraged by this improvement, a good part of which is firmly based on sound monetary and fiscal practices and on improved competitive ability.

This improvement in economic and financial strength abroad and in international monetary stability is cause for satisfaction for many reasons. Not the least of these is that it is due in considerable part to a change in philosophy--to the renaissance of monetary policy and to the retreat from restrictionism in government policy. For those of us in the United States who have for so long, and often with too little support, advocated economic freedom and the value of strong, competitive economies with efficient production in promoting high levels of sound employment and trade, it is encouraging, indeed, to note that other governments, having learned the high costs of economic restrictionism and artificial prices, have increasingly turned to the policies of sound money and greater economic freedom.

As our friends abroad further strengthen their economies and increase their gold and dollar reserves, we can see not only the end of our emergency programs of economic aid but we can also hope for some further relaxation or elimination of the artificial and discriminatory barriers to the sale of American products abroad on a competitive basis. Part of the test of the strength of our friends' economies will come in the further removal of these discriminatory restrictions and greater exposure to the forces of competition from abroad.

For years it has been a major aim of the United States Government to reestablish conditions of genuine world-wide convertibility and of nondiscriminatory multilateral trade. In this aim the support of the United States Council of the International Chamber of Commerce has been consistent. With continued progress in sound monetary policies and improved competitive ability, our friends abroad are today perhaps closer to achieving genuine convertibility than at any time since the end of the war. When and how convertibility of other currencies will be achieved, I cannot say. But it will certainly not be achieved as a result of unilateral action taken by the United States. It would not be realistic to expect that this goal can be achieved by reduction of United States tariffs alone. And it would not be realistic to expect that it will be brought about by very large stabilization credits provided by the United States.

The need for very large stabilization credits to increase international liquidity and provide confidence for a convertibility operation has been advocated in many quarters. There are others, however, who do not attach the same importance to stabilization credits in the billions of dollars which have been suggested. Permit me to submit in this connection one final thought with perhaps an emphasis which has not previously been given. It may be that some modern societies have developed economic policies or have

widely accepted social policies which may inhibit greatly the flexibility of their domestic policies. This may unduly impair their ability to accept the discipline of convertibility in their domestic policies. If so, it may be that they must then be prepared to have greater flexibility in their external policies, including their exchange rates. It is at least possible to visualize that if domestic policies are lacking in flexibility, a very large stabilization credit for convertibility purposes would prove too great a temptation, and countries so situated would resort to its undue use rather than take the appropriate internal measures or change their exchange rate in time. At least, in considering the necessary size of stabilization credits for convertibility operations, one should not ignore the possibility that smaller stabilization credits within our present resources may be adequate for the job. The size of the stabilization credits is less important than the appropriateness of policies and the willingness to change them as required.

For as I said at the outset, convertibility is not just a combination of monetary and economic factors. It is a philosophy of economic behavior. The judgement of when the world is ready for convertibility will not be solely a judgment of economic conditions, such as competitive ability, extent of restrictions, appropriateness of exchange rates, or adequacy of reserves. It must also be a judgment of human beliefs and intentions--of whether government leaders and the people of the country believe in a free economy as a way of life and believe it is worth defending and fighting for. If the number of leaders and people who believe in the value of convertibility is not sufficient and if they will not accept the discipline of convertibility, it will fail. The important consideration is that the leaders and peoples of the major countries in the world, in fact, believe in the international competitive system and the true philosophy of a convertible and a free world. They must be ready and willing to submit to the internal and external discipline which is required for the achievement and maintenance of the freer, the stronger, and the more dynamic world we all want.

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## Exhibit 53.--Statement of the Governor for the United States, Secretary of the Treasury Humphrey, at the ninth annual meeting of the Board of Governors of the International Monetary Fund and the International Bank for Reconstruction and Development, Washington, D. C., September 24, 1954

At the opening of the meeting it was my privilege to bring you the welcome of the President of the United States in behalf of the American people. Now I should like to express my own gratification at being with you again and representing the United States in the second of these annual meetings which have been held since I became Secretary of the Treasury. It is a great pleasure to renew our pleasant associations and to have the opportunity to discuss problems of mutual interest with you.

Since our last meeting the free world has continued to advance toward our common objectives of a healthier and wider flow of trade and money. The President of the United States in his March 30 message to our Congress has set the guidelines for our foreign economic policy. Last month he emphasized that this message remains firmly our position. Our objective is "to obtain, in a manner that is consistent with our national security and profitable and equitable for all, the highest possible level of trade and the most efficient use of capital and resources". Greater freedom from restrictions and controls and the increased efficiencies which arise from expanding markets and the freer play of economic forces are essential to the attainment of this higher trade level.

During the past year genuine progress has been made in removing restrictions and strengthening our economies. Production and trade remain at high and sounder levels. Good money policies are more widespread. Price levels have become more stable. Balances of international payments are in better equilibrium. Currency convertibility, a most desirable condition for a freer and healthier international trade, has become a nearer prospect, as the Fund report points out.

I think it is worthy to note how far the Trade Agreements Program of the United States has moved to reduce our tariffs and eliminate restrictions against imports through the negotiation of reciprocal agreements. During 1953, only 45 percent of the total value of our imports were subject to any import duties. Fifty-five percent were duty free. The duties collected on our dutiable imports represented only 12 percent of their value. To some extent, of course, the ratio of the duties collected to the value of imports reflects a rise in the prices of imported articles. Nevertheless, it is clear that the average cost, to the rest of the world, of sending their goods to us is now comparatively low.

The United States has taken and will continue to take its part in trying further to remove unnecessary restrictions on international trade under the program set forth by the President in his March 30th message to our Congress, and our most recent moves toward customs reform are another step in that direction.

In view of the stronger international position of many other countries, we should reasonably look forward to gradual further lifting of their present restrictions on their trade with the rest of the world and with us.

I think it is generally recognized that probably the greatest contribution which the United States can make to expanding and profitable international trade is a healthy and growing economy at a high level of activity here in the United States. This helps sustain a high level of demand for the world's goods and so fosters trade on a mutually beneficial basis. To sustain a high level of economic activity in this country is the keystone of our policy.

Over the long term, economic progress must be based upon a substantial flow of new private investment, both national and international. The International Bank in its relatively brief career has done much to improve the climate for investment. Its loans for the development of basic facilities in the member countries have provided the groundwork for other forms of investment. The Bank can be an important supplement to the flow of private investment, but it cannot be a substitute for it.

In 1953 the International Bank disbursed $240 million in loans to member countries. By way of comparison, the outflow of private capital from the United States has been about $900 million a year for the last six years. In addition, the subsidiaries abroad of American companies have reinvested earnings at an average rate of about $600 million a year.

To complete the picture, the United States Government has lent over $400 million a year net of repayments. All in all, these various sources, the International Bank, private United States investors, and the United States Government, have added more than $2 billion a year to the capital available to foreign countries. Three-fourths of this has come from private investors. Naturally the great bulk of this investment has been made in those countries where experience has shown the principal is most safe and where reasonable return of earnings can be best assured.

All countries must of course rely upon domestic savings for the great bulk of their economic development. The encouragement of savings and of capital formation at home and the investment of these savings at home in productive enterprise, as well as investment from abroad, are dependent on sound monetary and investment policies and assurance of safety of principal and fair treatment of investors, which give people confidence in their currency and in the preservation of its value. I am sure the discussions we shall have during the next few days will help to assess the importance of these elements in vigorous and successful international investment.

I am looking forward to hearing the views of the other governors on the problems of international exchange and capital investment and the related matters, which are the occasion for our annual meetings. I know that during these meetings we will all become better acquainted and have the opportunity to obtain a better understanding of our mutual interests and problems, which we can all approach in a real spirit of optimism so amply justified by the wide-spread improvement in economic conditions in the free world.

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## Exhibit 54.--Statement by Secretary of the Treasury Humphrey at a panel discussion before the Board of Governors of the International Bank for Reconstruction and Development, Washington, D. C., September 28, 1954

### Prospects for private international investment

I welcome this opportunity to discuss private investment and to hear the views of others on this subject.

I have been asked to speak to you about some of the problems which face the private investor in a relatively young capital-exporting country. This does not mean I am unaware that there are two sides to this question, but merely that I am sure my colleagues from India and Brazil can present the picture as it appears to the capital-importing countries much better than I. They will be followed by the Chancellor of the Exchequer whose broad perspective is based on the United Kingdom's long experience in making investments in so many places in the world.

Before discussing the obstacles which confront the investor, I should like to say a few words about the improvements we have been witnessing abroad, and the very substantial accomplishments private investment is making despite the difficulties which still exist in some areas.

As has been said before at this conference, confidence has been increasing. Currencies have grown stronger as reserves have increased. There has been progress in removing quantitative restrictions on trade. Payments in many of the world's currencies are becoming freer as governments relax the grip of their exchange controls. These are all marks of an improvement in the financial position of many countries of the free world.

These changes have been reflected in a profound shift in our own balance of payments. During the years 1946 through 1948 the transactions of the rest of the world with the United States resulted in our collecting four and one-half billion dollars in gold and in dollar balances and investments from foreigners; that is, they paid us this amount to settle their accounts. In 1949, we were in approximate balance. But in the past four years, from 1950 through 1953, the reversal was pronounced, and our transactions with the rest of the world added about $7.7 billion to foreigners' assets in gold and dollars. Thus, for the postwar period as a whole, we have not drawn reserves away from the rest of the world, but, instead, have contributed to them.

This has been the end result of our trade policy, our customs reforms, our aid policy, our military expenditures, and our private and public investments abroad. In the current year the same trend is continuing, and at present rates another billion and one-half dollars will be available for building up foreign assets in 1954.

Durability in the balance of payments in a world subject to events changing as rapidly as those of our generation is not an easy thing to assure. But the record of the past four years is favorable.

In many countries, however, there is scarcity of investment capital and a pressing demand for funds for development.

All of us in the free world must be ever mindful of the extremely low standards of living which exist in many parts of the globe. In some countries, very low standards of living exist where natural resources are bountiful. In others, rapidly growing populations are pressing hard on existing resources, but even in these cases the absence of modern techniques of cultivation and tools of production, low standards of education, and poor conditions of health, present a challenge and offer an opportunity for improving the lot of many millions of mankind. We must keep these problems to the forefront and cooperate in every practical way to bring modern science, tools, and technology to bear upon them. But private investment is not made for philanthropic reasons. It is made for profit that is freely available to the investor on principal that is safe.

Chairman van de Kieft in his opening address called attention to the complicated economic problem of differences in wealth and savings among countries, and the

flow of private capital which is needed to help to allay these differences. He noted that there are "new economic and political factors" in the postwar period, which in some cases "have tended rather to slow down than to increase the flow of private capital to the regions that are most in need of development."

What he has said is quite true. Nationalistic trends resulting in laws that discriminate against investors from other lands and restrictions jeopardizing either principal or the receipt of income slow down investment from outside. Vacillating policies of governments can be warnings to prudent investors to look elsewhere.

Nevertheless, in many places private investment has been making a substantial attack on the problem of promoting development.

At the end of 1953 our private investors had approximately 23.7 billion dollars invested in foreign lands on which we have recently been averaging earnings of approximately 1.5 billion dollars a year, much of which came to us in the form of needed goods imported through foreign subsidiaries and branches of United States corporations.

At the same time, during the past six years, our private investors were providing to other countries about $900 million a year in newly exported private funds, net of repatriation of capital. In addition to these exports of new dollars, about $600 million a year in earnings by foreign subsidiaries of United States corporations abroad were reinvested directly without being brought home and thus do not appear in either of the two figures I have just cited. In all, new capital provided by private sources from this country has reached at least one and one-half billion dollars a year. As I suggested on Friday this total is about three times the rate of public lending by Government agencies during the same period, net of amortization and repayments of principal on United States Government loans.

A very substantial proportion of our private investment has been made in Canada, where conditions have been particularly attractive. Nevertheless, we estimate that private investors in the United States have been placing as much as $900 million a year in the rest of the world, during the past six years, including the reinvested earnings which I mentioned above. Even if we make a rough estimate and take out all investments in Canada and all investments anywhere in petroleum enterprises, we would have left about $600 million a year which has financed a wide variety of other enterprises outside of Canada. These amounts represent a very substantial supplement to local savings.

Some concern has been expressed that the rate of new private investment appeared to slacken rather sharply in 1953. Actually, this appearance was accounted for largely by security transactions and a reduction in commercial credit; direct investments by United States corporations continued at about the rate of previous years. I am happy to report that during the first half of 1954 our private investors placed $644 million in new capital abroad, even without allowing for reinvested earnings. At an annual rate this is a larger outflow than in the peak postwar year of 1950.

What about the prospects for continuance of this flow or its increase? The prime factor which will determine this is the establishment of confidence in the country seeking investments among investors abroad.

Ordinarily it takes time to build confidence. As with individuals, it is best established by a definite course of good conduct over a period of years. The old saying that "Actions speak louder than words" was never more apt. Moreover, as frequently pointed out, the progress of years in establishing confidence can be shaken overnight. But long continued good behavior is not always required. Governments change and even more important the thinking of the great mass of the people of a country can also change either for the better or for worse. It is the real spirit of the people that is most important. They either resent the foreigner and his operation or welcome him as a well recognized means of more rapidly improving their own lives, and so express themselves by their conduct and through their governments. That is the real flag of invitation or of warning. Moreover, foreign capital is not so different from capital at home. It is attracted to countries where conditions are also favorable to the local investor. No country can reasonably hope to attract foreign investors if its own savings are

seeking shelter abroad. Inflation or unfair treatment from popular resistance affects all investors whatever their nationality.

It is hardly necessary to discuss in detail the familiar types of deterrents which adversely influence the investor today. It is probably enough to mention that some of the principal ones are threats or a history of confiscation or discrimination.

There are also the risks associated with exchange restrictions and multiple rate systems which are both complex and subject to considerable instability. An abrupt and sharp depreciation can seriously impair the fruits of past efforts for the foreign investor. Restrictions on transfer present a constant fear to the investor that he will find himself queueing up at the end of the line to receive permission to transfer his income into the currency he needs. In many of these areas the members of the International Monetary Fund are cooperating to provide a better basis for the flow of international capital.

Sound large-scale private investment abroad can only result from assurance of the security and the right of ready repatriation of principal and an opportunity for greater profit than at home. The private investor has a choice between his own market and opportunities in foreign countries. Where as here there are good possibilities open to him in his own country, every day, he will need some additional inducement to undertake the extra risks of going to foreign lands to cope with the differences in language, law, and customs. He will want to be doubly sure of his business associates abroad. And he will be slow to go if he feels that his activities will be approached in a general atmosphere of criticism rather than one of warm welcome.

Of our own substantial direct private investments abroad, more than $6 billion is connected with petroleum and mining enterprises. These funds go where the resources are to be found, and when they are needed, and when the pulling power is great enough to overcome the many obstacles, both natural and man-made.

In the area of manufacturing or merchandising, such considerations are much less compelling. The economic inducements must persuade the foreign investor that his chance for profit is greater.

On the other hand there may well be more resistance from a feeling of nationalistic possession in the case of the development of natural resources than when only manufacturing or merchandising is involved. And the large size of the investment required and the length of time in which it can normally be returned is far greater for natural resources than in manufacturing or trading lines so that greater security of principal and return of profit must be assured. But there is no way in which a country can develop faster for the rapid improvement of the lives of its own citizens than by the use of foreign capital in turning its natural resources otherwise lying dormant into jobs and homes and better living for the numbers of its people that will be so employed.

The high yields on common stocks in the United States have been a powerful attraction for the private investor. During the past year the growth in confidence and the supply of capital for investment here has brought somewhat lower yields. This may provide some stimulus to interest in investment abroad where the assurance of security and the lure of higher profits is sufficiently attractive. Special tax consideration and other methods of stimulation can also contribute to increased interest in foreign fields.

What are the policies which attract private capital from abroad? I think they can best be summed up in a simple way; security and the right of ready repatriation of principal and attractive return.

It is not unlike the conditions which induce two individuals to embark on a common venture. There must be mutual confidence. The private foreign investor must be really wanted and welcome not just by the government at the time but by the people as well and for a long time because they are truly persuaded and believe that by the use of his money they can better themselves faster and further than they can alone. They must be willing and glad to pay a reasonable price for the risk involved and show by a history of fair dealing that after the risk has been once undertaken and when success for both has been won that they will then not go back on their bargain

and through direct action or ruse or sharp practice of any kind seek to enlarge their fair share of the original basis on which the joint enterprise was begun.

If governments and laws are responsive to such a conviction of the people, their countries will have little trouble in obtaining private foreign investment for any venture within their borders that can properly earn an attractive return.

I want to emphasize that we have been discussing private investment abroad as distinguished from government programs. While many of the criteria for investment are equally applicable to both there may well be inducements in the latter case which would go beyond those to be properly considered in the former.

For our part, that is, in the United States, surely our greatest contribution will be to maintain a high level of economic activity and income in the United States, and thus to provide a reservoir of venture capital. If we can proceed with mutual trust and confidence I am sure that as President Black has so well said we will through the channel of private investment as well as the efforts of the International Bank, succeed in converting a revolution of expectancy into first a practical business-like approach and then into a real revolution of achievement.

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## Exhibit 55.--Statement by Under Secretary of the Treasury for Monetary Affairs Burgess at the discussion of the Annual Report of the International Monetary Fund, September 25, 1954

The annual report which we are discussing today has for its central theme "The Prospects for Convertibility." The report is a cogent analysis of those developments in world trade and payments which give reason to believe that convertibility is a realizable objective. It poses for us the task of assuring that the Fund is fully prepared to play an effective role in facilitating action by its members. Quite properly the report does not attempt to forecast the nature and timing of the steps which may be taken by individual countries or groups of countries.

When it does come, convertibility will foster a firmer financial foundation for the balanced growth of international trade. It will help provide an environment in which capital may move more freely across international boundaries into genuine long-term investment.

To accomplish this purpose, currency convertibility must be accompanied by a dismantling of discriminatory restrictions on trade and by elimination of the use of quantitative restrictions for balance of payments purposes except in special circumstances.

In a community of free nations which is less divided by quotas and exchange controls and bilateral dealings, we may expect the freer movement of goods and capital not only to strengthen the economies of free nations individually but also to bind them more closely together: to contribute to our political and economic unity as well as our economic strength.

In pursuing these objectives, all countries have major responsibilities. This includes countries whose currencies are presently convertible as well as those which have yet to move to convertibility.

With respect to the foreign economic policy of the United States, the President has most recently stated:

"The events of every day bear in heavily upon us the imperative necessity of building stronger economic relations between ourselves and the free world. This is true, first, because the growth of our own economy and the attainment of rising standards of living for our people can materialize only in step with economic growth and improvement in the economies of the free world linked to ours. It is more emphatically true because it is in

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our enlightened self-interest to have economically strong friends throughout the world. The prudent widening and deepening of the channels of trade and investment by us will not only produce good results in themselves but will encourage similar action by our friends abroad. This is the route to better markets and better feeling."

Throughout our discussions of convertibility we should all keep in mind the importance of having the broadest possible participation in a major move to convertibility. This is not simply a question of the success of such a move or its general beneficial effects for the free-world community as a whole. It also involves the direct advantages which will accrue to each country. These advantages are just as great for the smaller or underdeveloped countries as they are for the major trading countries.

There has been some tendency to believe that sound currencies and convertibility are luxuries which can be afforded only by advanced countries of major importance in world trade. This doctrine has its roots in a notion that economic development can and should be carried out by deficit financing, offsetting the effects of any excess of monetary demand on the balance of payments by exchange controls and quantitative restrictions on trade. The postwar history of investment and development programs in country after country, and not least in some of the relatively advanced European countries, has demonstrated the inflationary dangers of this approach. Such a policy discourages real savings and drives capital either into domestic speculative channels, such as real estate, or into hiding abroad. It makes foreign capital shun the area.

The best hope of the underdeveloped areas over the longer term lies in the development of a world trading system based upon freedom of payments and a minimum of quantitative restrictions on trade. Only in such an environment can we expect capital to move in large quantity across national boundaries.

Now it may be useful to turn briefly to some of the specific problems on which decisions will be required in determining the Fund's role in support of a broad move to convertibility. First, how can the Fund's resources be put to most effective use in support of convertibility?

We are most fortunate that the resources of the Fund have been safeguarded during the postwar period so they are now available to support the objectives for which they were established. The resources of the Fund are not limitless, but they do provide a major source of secondary reserves which can add to confidence and assist member countries in meeting temporary swings in the balance of payments. No reserve fund, no matter how large, can substitute for sound monetary, exchange, and trade policies. The primary function of the resources of the Fund in support of convertibility will be to assure the public that resources are available to offset those speculative movements of funds and those temporary adverse shifts in trade which arise from time to time.

It would be inappropriate here to attempt to spell out in detail the conditions which the Fund might wish to lay down as prerequisites for access to its resources. However, the suggestion of some general considerations may be helpful.

It would seem clearly desirable that a country seeking assistance should come to the Fund with a program of the positive steps it proposes to take in moving to convertibility. Such a program would encompass its exchange rate policies, its policies for maintaining internal financial stability, and its plans for eliminating discrimination and reducing restrictions in its trade and payments arrangements. An effective program would also give assurance of maintaining the revolving character of the Fund's resources.

In some cases, it may be desirable for the Fund to extend specific lines of credit for definite periods through standby arrangements adapted to the needs of particular countries. However, some other countries moving to convertibility may not need such formal arrangements. They may simply desire to keep the Fund fully apprized of their programs, with the door open to request financial assistance should the need arise. It will be in the interest of all of us to preserve the mobility of the Fund's resources so that adequate funds may be committed quickly and effectively to meet genuine cases of need.

With a broad move to convertibility, it will be more important than ever for the Fund to serve as an effective center for the continuous review of trends and problems arising in international payments. A system of multilateral trade and payments necessarily implies that action by one member of the community will affect the rest for good or ill. It is most desirable therefore that an opportunity be given for international consultation prior to decisions by members of the Fund which will have an important influence on international payments.

Another point we should be thinking about relates to Articles XIV and VIII of the Fund Agreement.

Article XIV was designed to assist member countries to meet the problems of postwar rehabilitation. It was envisaged that the obligations imposed by this article would be superseded by those of Article VIII when substantial progress had been made in financial and economic reconstruction.

In substance, Article VIII provides that no member shall impose restrictions on current international payments except as may be approved by the Fund; also, that no country may engage in discriminatory currency arrangements or multiple currency practices except as approved. This article wisely lays down no criteria for determining under what conditions countries may impose restrictions. Within the broad limits of the Fund's purposes the executive directors are given full discretion to proceed as the circumstances indicate.

The Fund has been passing through a postwar "transition" period which we hope may be drawing to a close. The improved state of world economic affairs is an important and encouraging development. It reflects expanding production, and the overcoming of the postwar surge of inflation. It is a gratifying tribute to the convictions of the financial leaders assembled here who have worked so effectively in many of the member countries to achieve sound currencies, bring government budgets into balance, and reduce inflation.

For further progress in world payments and trade arrangements we must continue to rely mainly on the wisdom and courage of the financial leaders assembled here and on their influence within each member country.

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# ADDRESSES AND STATEMENTS BY THE SECRETARY OF THE TREASURY AND OTHER TREASURY OFFICIALS

## Exhibit 56.--Statement by Secretary of the Treasury Humphrey before the Joint Committee on the Economic Report, February 2, 1954, on the reason for keeping Government deposits in banks

Out of 14,000 eligible banks in the United States, approximately 11,000 have Government deposits. These accounts serve as a pipeline for the flow of taxes and the proceeds from the sale of Government securities from the public into the Treasury's accounts at the Federal Reserve Banks. They also serve as temporary reservoirs on which the Treasury draws as it needs funds. The amount now in these accounts is equal to about two weeks' expenditures of the Government.

The Treasury keeps money in banks because (a) it is the most efficient and economical way to handle the Government's business, and (b) it avoids withdrawing funds from communities before they can be returned through Government disbursements.

Congress passed the National Banking Act in 1863 specifically authorizing the Secretary of the Treasury to deposit money in banks after efforts by the Government during the Civil War to act as its own banker failed, resulting in the suspension of specie payments.

The present system enables the Treasury to keep a smooth flow of money despite the unevenness of the flow of Government revenue and expenditure. Assume for instance that Bank X in Panhandle, Tex., sells a half million dollars of savings bonds to its customers. This money is left on deposit in Panhandle until it is needed at the Federal Reserve Bank of Dallas to pay the Government's bills. If this money should immediately be withdrawn from the bank at Panhandle, before it can be returned to channels of trade through Government disbursement, the money in the community of Panhandle would be transferred to Dallas.

During heavy tax periods, particularly, there would be a tremendous shifting of funds between banks and communities. The transfer of $8 to $9 billion in the middle of March from the various communities throughout the country to the accounts of the Government at Federal Reserve Banks would play havoc with the banking system and business. In order to meet such withdrawals, in many instances banks would have to restrict credit and liquidate securities in the market.

Millions of dollars of additional clerk hire, costs of currency shipments and transfer of funds would be necessary if the Government should handle the business now handled for it by banks in connection with deposits of withheld income and social security taxes, the issuance of United States savings bonds, and the handling of subscriptions to other types of Government securities. If all remittances had to be sent to Reserve Banks for collection, the Government would have many more millions of dollars tied up in process of collection.

All Government deposits in banks are fully secured by securities pledged with Federal Reserve Banks. Also, member banks are required to maintain a reserve with Federal Reserve Banks against Government deposits as well as other deposits. At the present time this reserve amounts to about 18 percent for all classes of member banks.

Under the Banking Act of 1933, banks are prohibited from paying interest on demand deposits, including Government deposits. In view of the short time they hold Government deposits, often only a few days, and the services they render, the present arrangement appears equitable.

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## Exhibit 57.--Remarks by Secretary of the Treasury Humphrey before the American Society of Newspaper Editors, Washington, D. C., April 15, 1954

Just about a year ago I had the pleasure of appearing before you. If you will remember there was then great concern as to whether or not a hoped for peace in Korea would quickly bring on a depression. My talk to the Associated Press Annual Meeting in New York two days later, which many of you here today attended, began with these words:

"There is no reason to fear peace.

"We are not headed for depression."

We all were grateful that the fighting in Korea soon ended and 1953 was the biggest and the best year in American history.

Then we had only plans for reduction of Government expenditures and only hopes of tax reductions to follow.

And now a year later with actual accomplishments in both fields where then we had but plans and hopes many people have again been concerned with fears of depression and the prophets of gloom have been loud in their dire predictions.

It is easy to be misled about how "good or bad" business really is in this country after all the loose talking that has been done. It would be especially unfortunate if the editors of the great newspapers of this country should not have the proper perspective on the state of our economy.

Let us remember such things as these:

Average employment in the first three months of this year was 60 million people, the highest number of people employed during that period of the year in any year of our history except for the first three months of last year immediately following President Eisenhower's election.

Construction contracts awarded in March of this year were 13 percent higher than a year ago.

Total personal income is running higher than it was a year ago.

There are some other indicators which are down, and we recognize that unemployment is up over a year ago. Moreover we fully realize that each individual who is out of a job has a serious personal problem, and this administration is greatly concerned to see that everyone who wants work can have employment.

But basically our present economic condition is a result of necessary inventory adjustments plus a transition from wartime to peacetime spending by the Government. As we cut Government spending, we must return to the people in tax cuts, as we are now doing, the billions of dollars of Government money saved so that it can then be put to making new jobs for the people who previously got their income from Government spending.

We are transferring this money back to the people by tax cuts which, when the tax revision bill is passed, will mean total tax cuts effective this year of $7.4 billion, the largest single dollar tax cut in any year in the Nation's history.

When our tax program is fully effective every single taxpayer in this country will have received some tax cut and benefit in this year.

The jobs which came from the Government's spending of these billions must now be found, and are being found, in private industry making things for the people to buy. All of those people who were making tanks and guns must now make washing machines and other things for peaceful living.

The fact that employment continues at the very high level of 60 million people at work shows that this transition to making things for living instead of for killing is being made remarkably well.

I am confident of the future and that we are not now headed for a depression.

Some people, fearing further downward trends, ask when the Government is going to get "in" and do something about it.

The fact is that the Government is always "in". There are so many things that the Government does, or does not do, that have a very real bearing on the state of the economy.

There are many things that the Government has already done: things recommended which are now before the Congress; and things which the administration has proposed either for the future or for action by executive agencies, all of which have and will help strengthen our economy.

First, in things already done, we should look at an area of Government action very close to us at Treasury, the area of flexible debt management and monetary policy.

The Federal Reserve Board, with its responsibility for monetary policy, reduced reserve requirements of member banks substantially as early as last June to make sure that there would be no bar to the proper volume of bank credit necessary to a growing economy. The Federal Reserve has purchased short-term Government securities in the market, to increase bank reserves, for a considerable period. The rate at which bankers can borrow from the Federal Reserve was reduced in February and again just day before yesterday a further reduction was approved.

Treasury debt management also has been a positive factor, and Government interest rates have fallen to the lowest point in many years. Last July the Treasury had to pay $2\frac{1}{2}$ percent for an 8-month loan. In February we paid the same rate for a loan running almost 8 years. And our last one-year money borrowing was at 1-5/8 percent. Ninety-day bills cost close to $2\frac{1}{2}$ percent last June; now they are down to 1 percent.

In the current economic environment the Treasury has purposely done its financing in a way that would not interfere with the availability of long-term investment funds to corporations, State and local governments, and for mortgages to home owners. We

want to be sure that plant and equipment, home building, and other construction all have ample available funds. The fact that construction thus far this year is running so high demonstrates how effective these policies are.

We have the Small Business Administration to ease the proper handling of credit in this particular and vital part of our economy.

Perhaps the biggest way that the Government is continually "in" the economy is in this matter of taxes. We have noted that tax cuts effected this year will total $7.4 billion, the largest total dollar tax cut in history. This saving of such huge amounts of money for peacetime use should have a tremendously beneficial effect in stimulating the economy.

Some of the other things recommended by the administration and now before the Congress which will have considerable bearing upon the economy are as follows:

The President has asked legislation to broaden the base and benefits of old-age insurance. This legislation is currently before the House Ways and Means Committee.

In the housing bill, which is currently before the Senate, are two administration proposals affecting the building of homes. We have asked that the Government be allowed to change the terms of governmentally insured loans and mortgages as circumstances require. We have asked that a secondary home mortgage market be established, and active steps are being taken to accomplish it.

The administration has taken important action in reclamation matters.

The administration has supported a bill which will help the wool growers of the West.

The administration has urged that the highway construction program be increased and a record sum has already been voted by the House and Senate.

The administration is recommending a positive program for flexible price supports for the American farmer. The President's program is being actively considered by both the House and the Senate.

The administration has taken specific actions within the executive departments and with other governmental bodies to do things that will help strengthen our economy.

We recommended legislation to improve unemployment insurance and the administration has asked the governors of the various States to study the possibility of making payment scales more realistic.

A committee for State, local, and Federal planning has been appointed and is now at work.

The President has asked the Office of Defense Mobilization to redirect its stockpiling program, which will help distressed mining areas.

The administration is going ahead with improved planning of its public works programs which can be available for any emergency.

Last but far from least, the tax revision bill now before the Senate Finance Committee will upon enactment have a tremendously helpful effect upon the economy. While it is basically a long-overdue tax reform bill, it can help greatly the current economic transition. There are many business projects around the country which are being held up pending final decision on this revision bill. It is imperative that the earliest possible action should be taken. When the bill is enacted, these new or expanding businesses can go ahead with their plans, which will result in the creation of thousands of jobs and the vital expansion of our economy.

But the success of our economy depends, not upon a single Government act or edict, but upon all the people trying to do a little more for themselves, trying to better themselves and their loved ones. Government can only help provide a fertile field in which the 161 million Americans can work. The tax revision bill will help provide a more fertile field by giving further relief to millions of taxpayers and stimulating the incentive and the enterprise which we need to create more and better jobs.

Jobs are more important than tax cuts. Jobs are what America lives on. The entire fiscal policy of the Government is designed and operated to promote more and better jobs, which more efficiently create the better, cheaper goods, and the expansion of industry that makes for the ever improving standard of living we all want in America.

## Exhibit 58.--Remarks by Secretary of the Treasury Humphrey before the Congress of Industrial Organizations Full Employment Conference, Washington, D. C., May 11, 1954

### Taxes and jobs

Needless to say, it is a great pleasure for me to be here with you today. I received the invitation and I promptly wrote Walter Reuther that I would be just delighted to come. I didn't know at the time that my good namesake, Hubert Humphrey, was going to be here on the platform with me. Whether one platform can hold two Humphreys or not, I don't know. And I don't know how the press boys will keep us separated. I think we may have had from time to time slightly different ideas about things. Nevertheless we are for one thing. We are for America. We want what is good for America.

The objective is perfectly clear. There are sometimes various ways to reach that objective. But that is the one thing that we all want in this country, and that is the great thing about this country. That is what we all want and what we are all striving to attain.

Now, I have a few notes written that I would like to read to you for a minute, and then I would just like to talk to you about the thoughts and ideas that we have and to try to explain to you the reasoning that we have for doing the things we are doing. We are all trying to do what we believe is best for this country.

The reason that I was so glad to have the opportunity to come here was that we believe that the more the thoughts that we have can be interchanged, the more the thoughts that we have can be expressed and be considered, the nearer we will all come to reaching the best means of accomplishing what our final objective, our single final objective, is.

So, with your permission, I will just run through these notes for a minute, and then I will spend a few minutes talking to you about our ideas and why we hold the ideas that we do.

Some people in recent months have asked when the Government was going to get "in" the economy and "do something." The fact is that the Government is in the economy all the time, in all the many ways that its actions affect large groups of our citizens.

The actions Government takes every day are influencing, and we believe helping, the economy to help itself. We are, and have been, taking whatever actions are practical and proper and consistent with the Full Employment Act of 1946, which charges the Government with helping to promote maximum employment "in a manner calculated to foster and promote free competitive enterprise and the general welfare."

There is a long list of things that the Government has done, is doing, and has proposed, which have a great bearing upon the economy.

These include such things as Federal Reserve Board action on credit; how Treasury handles its financing; the tax program; legislation regarding old age insurance, housing, highway construction; farm price supports; the wool industry; administration actions on unemployment insurance; stockpiling of minerals; planning for public works; and many other things.

The tax program is a particular concern at Treasury. When the tax revision bill now before the Senate is passed, tax cuts effective this year will total $7.4 billion, the largest total dollar tax cut in history. Also, the earliest possible enactment of the tax revision bill will help greatly the current economic transition. I hope for its early passage for the good of everybody in America.

While more than $4 billion of tax relief for individuals is provided by the January 1 income tax cut and the excise tax bill, there is also real relief in the tax revision bill to millions of individuals who have been plagued by unjust tax hardships for many years.

But the most important thing about the tax revision bill is that it will stimulate investment of savings to help new businesses to start, old businesses to modernize, and so create more and better jobs and better living for everyone.

America has to make more jobs every year to keep the people of America employed. So things that help the economy expand, and so make more payrolls, benefit everyone.

Breaking down the tax revision bill to say "this helps individuals" or "this helps business" is meaningless. Business can't have prosperity unless the great millions of American individuals have prosperity. Likewise, millions of individuals can't have prosperity unless the Nation's economy is healthy.

Business grows unhealthy, outmoded and inefficient unless there is a constant flow to it of invested savings to pay for modernization of working conditions and expansion of production. Unless savings are invested, the power and tools in the hands of the American worker become outmoded and his production -- and so his earning power -- grow less.

I notice that President Reuther is quoted on the news tickers this morning as pointing out that unemployment is still increasing in basic manufacturing industries. This is an important point. We cannot have prosperity in America unless the heavy industries have prosperity. The buyers of the products of heavy industry, generators, turbines, etc., are the businesses and the people who invest their savings. These heavy products are not bought by retail consumers, who already have been given general income tax relief. But provisions of the tax revision bill which will stimulate investment will directly stimulate activity and the making of more jobs in the basic manufacturing industries which Mr. Reuther has mentioned.

Such proposals in the tax revision bill as those which reduce double taxation of dividends and allow more flexible depreciation, will help modernize the Nation's machinery and industrial plant. And modernization can make more sure more jobs at which millions of people can earn higher wages by producing more and better goods at less cost.

Now I want to talk just for a minute to you about the matter of taxes and jobs. I say "taxes and jobs." It should always be reversed. It is jobs first always in America.

Now, what is it that makes jobs? You can't have taxes unless you have jobs. Unless there are jobs in America, unless America is well employed, the taxes just disappear. We can't operate unless we have jobs that pay the taxes with which to run the Government.

Now, what is it that makes jobs? Jobs don't grow on trees. Jobs are created by someone; they are made by someone. They are made and produced almost out of thin air, you might say, in the first instance.

Let's go back a minute. The first thing you have to have to make a job is an idea or an invention. Go back to when I was a kid. When I was a kid, I remember very well when I saw the first automobile. It came in a parade with Hi Henry's Minstrels, and it was a Stanley Steamer, and the whole town turned out to see that automobile. It was only a year or two after that that there were a few Buicks being made over in Jackson, Michigan. They went busted, and they brought the Buick plant over to Durant, which was a buggy-manufacturing plant in Flint. Somebody had the idea that they could make a product which could be sold, which eventually has been built and built in America until we have all the thousands of jobs that are now in the automobile industry.

Let's go a step further. Let's get down to more nearly modern times. A few years ago, who ever heard of a radio? And even fewer years ago, who ever heard of television? Somebody invented something; they got an idea for a product that they thought they could sell to the people, and then they went ahead to make it.

What is the next step in the making of a job? The next step in the making of a job is that somebody buys the tools, creates the plant and buys the tools to start, usually in a relatively small way. But they begin to take this invention, this idea, this product that can be sold, and they have to start to make it. Nobody can sell you a television set until somebody has made one. They have to start to make it, and after they start to make it they start to sell it.

Now, why is it that we have developed this system in America whereby we can have the high wages that we have in America? There is simply one reason. Nobody over any extended period of time can get more than he can earn. The thing that has made high wages possible, and higher wages coming as we go on through the years, in America is that individual productivity is being increased in America. Your hands are better than mine, but my hands or your hands are no better than the hands of a savage when it comes to producing things just with your hands. The reason your hands can produce ten,

twenty, thirty, forty, a hundred times more than a savage's hands can produce is that we have developed this system of organization, the system of putting power and tools into your hands. By the power of those tools in your hands you can create many, many times what the savage's hands can create; and because you can create it, you can earn it. Because you can earn it, you can have it, That is because we have developed this great system in this country of organization and creation by the giving of tools.

You know better than anybody that you can't get a job in this country unless you do have a big investment back of that job. It has to be there, even in the simplest sort of job. I was talking the other day to a newspaperman, a writer, and he said to me, "Nobody has got any investment in my job. I have a lead pencil and a piece of paper, and the rest of it comes out of my head."

I said, "How perfectly ridiculous that is. In the first place, somebody has got to produce your pencil and your paper. Somebody has got to have some forests; somebody has got to have some pulp mills, some ships, some railroads, some paper mills just to roll out your paper. But in addition to that they have to roll out the paper for your newspaper or magazine. They have to have great printing establishments. They have to have railroads for transportation; they have to have trucks for delivery. You have to have all these things in order that you can get paid for what you write. If all you did was write something, you would get mighty little. You would starve to death. The reason you can get paid for what you write is that somebody has investments in all these things for the creation and distribution of what you write so that it can be sold and many, many people can get the benefit of it."

So there is no job -- I don't care what it is -- in this country that doesn't require the investment of large amounts of money. After that comes the salesmanship and getting the product distributed, which in and of itself creates many more jobs and is an entirely separate field.

Now, what is it we are trying to do? I think everybody in this country wants lower taxes. I am sure myself that we must have lower taxes in America if America is to be the land of opportunity for the young man. America has been known as the land of opportunity for the young man. We want to keep it that way; we want to keep it the land of opportunity for the young man. That means that we cannot take so much money from all the people in America and put that money into big government as we have been doing. We have to decrease that expenditure.

Now, as we decrease that expenditure, how do we get taxes down and really get them down? Why is it that we don't like deficits? Why is it that we don't like running up huge deficits and borrowing additional money?

The only way in the world, in this country or any other country, that you can reduce taxes, and really reduce taxes, is to cut Government expenditures. If you don't cut Government expenditures, you may think you reduce taxes but you really only partly reduce them and partly postpone the time of payment. Whatever money is spent by the Government has to be paid by somebody, and it has to be paid at some time by somebody, and the only way it can be paid is by the collection of taxes. Now, if we run deficits, if we do not collect taxes currently for as much as we are spending currently, we have to pay the bills as they come in; there is no magic that we in the Treasury Department have, no wand that we can wave. When the Government spends money, the bills come in and we have to pay those bills. Now, if we don't collect enough money in taxes to pay the bills with, what do we have to do? We have to do exactly what you have to do.

America is nothing but 160 million people in one great big family, and all the fancy talk about finances and fiscal policies and all the big words people use don't amount to anything. We are all like one great big family, and the same rules that govern your family govern the American family. If we don't collect enough taxes currently, which is our paycheck, for the Government to pay the bills that we have currently, we have to borrow the rest.

Now, what does that mean? We go out and borrow the balance of the money. We then can pay our bills currently, but who is going to pay for what we borrow? The only way we can pay for what we borrow is more taxes. So all we have done when we have reduced

taxes more than we reduce expenditures is to postpone the time to when that final tax is going to be paid. That means that I, an old man, pass the buck to you, a young man. That means that if we borrow and keep borrowing and running deficits, all we are doing is burdening the young men of America who are coming along, passing it on to your children and their children.

Now, I don't think that is the kind of thing we ought to do in this country. I think if we are going to keep America as the land of opportunity for the young, which we older people inherited, it is our duty, as nearly as we possibly can, to pass on that opportunity for the young people of this country and not keep saddling them with more and more debt. Today just the interest on our debt is more than the whole Government debt was when I was a young man. We pay every year in interest more dollars on money that we have borrowed than the whole debt was when I was a kid -- and when I was fairly old at that.

When we talk about balancing a budget, that is not an abstract term. All we are saying is that we are trying to collect enough now to pay the bills that we owe now, and that we are not trying to pass the buck for paying some of our bills on to some of these younger people. So we are striving for a balanced budget.

Now, why haven't we got a balanced budget? Why haven't we done it right away? Well, there are two great reasons. The number one reason always is the matter of security of our country. Now, we do a lot of thinking. We all get absorbed in our own thoughts; we all get absorbed in our own activities. But don't forget for a minute that this world is today a boiling caldron. We never know when it may break out, where it may break out, or in what way. The safest thing we can do for America is to have strength. You don't gain from weakness; you gain security from strength. We must keep America strong; we must keep it militarily strong, and to be militarily strong we must keep it economically strong. We must keep our business going; we must keep our jobs going and all those things to support it. But we must keep militarily strong, with the world in its present state of affairs.

Now, as long as we have that burden, as long as we are faced with that, we can't just cut off all the money we would like to cut off. We have to spend a lot of money for preparedness, for security of this country. We have to be sure that what we do will enable your old friend, Charlie Wilson, to get us more security for less money and greater efficiency. But we have got to be secure and keep it that way.

Now, passing on from that phase of it to the next phase -- as to why we can't move as quickly as we wish to -- I have just told you that the only real way to cut taxes, which is what we are trying to do, is to cut expenditures. Now, even eliminating the question of security, why can't we go further more rapidly? Well, let's just think about this. This is pretty tough, ladies and gentlemen; it is pretty tough to say it this way, but we might just as well not kid ourselves. We might just as well face facts. There are only two ways that the Government can save much money, can reduce its expenses in large amounts. The great bulk of the money that America spends goes for two things. It either goes for hiring people to work directly for the Government or it goes for buying goods of various kinds that the Government buys. Now, when we say we are going to save money, that means we have got to go where we spend the money to stop spending it and try to save it. That means we have to hire fewer people directly. That means that temporarily the people that we don't hire are out of a job. It means that we have got to be buying less goods and materials of one kind and another that we have been buying. When we don't buy those goods, that means that those people who have been making those goods have got to be out of a job until they get to making some other kinds of goods.

So, what do we do? We decide on a program of reduction of expenditures. This coming year we are planning on saving about $7 billion. That is a lot of money; it is a big cut in expenditures. That means that that has got to come out of money that otherwise would go to wages or salaries to people that the Government hires or wages and salaries to people making those goods. If we stop that, we have people temporarily out of jobs.

Now, what do we do to try to avoid a situation of having large unemployment because the Government itself is stopping spending of that money? What we do is to give the

$7.4 billion back to the people of America in tax reduction. It goes out to the people so that the people will have that $7.4 billion to spend directly, for them to spend themselves rather than to have the Government spend it for them. That means that the people of this country, by the things that they will buy of all kinds, will spend that $7.4 billion; and the man who was making something for killing somebody, making a cannon or a gun or ammunition for killing somebody, will turn over and get a job making something for better living for somebody. Instead of that cannon or ammunition, he will be making a television set or an automobile or a radio or a refrigerator or something for better living for people. And the money that we save on the Government's side we turn around and hand back to the people for the people to have on their side, and in that way we want to make this transition to eliminate as rapidly as possible any resulting unemployment and facilitate the change-over from one job to another as rapidly as we can.

That is the program we have adopted. That is what we are trying to do.

Now, in handing this money back to the people, this $7.4 billion, we can't hand it all back just to one group, because different groups of people in America buy different kinds of things. We have to supply the incentive for buying all kinds of things. You can't have prosperity in America, ladies and gentlemen, just by having stimulation of consumption goods. Now, I will prove that to you in just a minute. All you have to do -- and nobody can know it better than you people -- all you have to do is think of the millions of men and women in America who are working not in consumption industries but in heavy industries. Your president stated today to you that unemployment was still increasing somewhat. Where? In the heavy industries. The total volume of spending in America has only dropped off about 3 percent; the total volume of consumer goods in America has only dropped off about 3 percent. The place where employment in America has dropped the most and where it still is dropping, he said today, is in the heavy lines.

Now, you can stimulate consumers till the cows come home and you can buy all the consumer goods you can, but you will not put these fellows back to work in the heavy lines of industry. You have to also stimulate them.

Now, who is it that buys these things? When you want production stimulated, you have to try to put people in the position to have more buyers. So what do you do? You stimulate the consumers to help them to buy consumer goods. You also stimulate the investors, because it is the investors who buy the heavy goods. They are the customers; they are the fellows that put up the money. It is money that somebody saved that buys the heavy goods. That is what makes the jobs.

So that you have to stimulate this thing all along the line. You have to get industry to buy new machinery so that the heavy machine tool builder can keep his men at work. You have to get industry stimulated to get more power plants built so that you have more power. You have to stimulate the expansion of all business in America: the development of America, the physical expansion, the big things that go on, the building, all those things that go on in America, in order to have everybody employed all along the line, both consumers and producers of heavy materials. And you have to do it for another reason.

Just stop and think about this for a minute. Nobody in America wants to stand still. People say we want to maintain our scale of living. I think that is baloney. We want to increase our scale of living. I want to live better; you want to live better. You want your children to live better. You want your children to have more opportunity than you had. You want this thing to move forward. Now, how can you do that? You can only do it in one sound way, and that is to be able to produce more. The only way you can keep having more, having the standard of living going up, is to produce more, to produce better, cheaper things for people to have.

Now, we are having an expanding population in America. We have got a lot of people coming along every year in America. It won't do just to have 60 million people working in America. That is a lot of people working in America today. There are over 60 million people working in America today. That is more people than have ever worked in America in any year of America's history except a year ago today. So this is the second highest employment we have ever had in this country that is going on right now, but it won't do

to have that five years from now or three years or some other years from now, because you are going to have more people in America, and that 60 million has to go to 65 million and it has to go to 70 million and keep going up. Now, how can you keep it going up? How can you have these jobs? It is only by creating jobs, by putting power and tools in the hands of Americans so they can earn the high wages that we pay, and so that with that power and with those tools we can produce and compete with anybody in the world, which is where we are today.

We are in competition with the world -- we have to be there -- and the only way to outproduce the world is by more power, more tools, more invention, more organization of things that we have.

Now, that is our program, ladies and gentlemen. That is why we are handling ourselves the way we are. That is the basis on which we are operating, and I think it is sound for America.

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## Exhibit 59.--Remarks by Secretary of the Treasury Humphrey following presentation of the Government Economy Award to former President Hoover, Senator Byrd, and Secretary Humphrey, New York City, May 25, 1954

The American economy is the key economy in the world. It is vital to the security and well-being of our millions of citizens. And, every other nation is vitally affected by its strength or weakness.

As long as our economy is sound and growing, there will be more and better jobs for our people and better living for all. And as long as the American economy is sound, growing, and prosperous, our allies are helped. Together, we can not only protect ourselves against aggression but, from a position of strength, can work to achieve real peace in the world.

If our economy should be weak and faltering, so as to cause loss of general confidence, we would be in danger of having large numbers of people out of work, less production, and so lowered standards of living all around. But we would not suffer alone. Our allies would also suffer. The strength of the whole free world would be threatened.

To maintain this vital strength of our Nation we must have economical and efficient operation of our own Government. For the way in which our Government conducts its affairs sets the pattern for the Nation's whole economy.

In 17 of the past 20 years, this Government has engaged in deficit financing, spending more than its income.

This course for a government, as for a family, can only lead to eventual disaster. The resulting depreciation of our currency has already seriously hurt millions of Americans. Continued cheapening of the dollar might finally result in the collapse of our entire economic system. History records that many great nations have fallen because of unchecked inflation leading to economic collapse.

This administration, when it took office in January 1953, pledged its efforts to institute sound money policies. We pledged ourselves to reduce Government expenditures and to strive toward attaining a balanced budget as rapidly as proper regard for our security would permit.

The trend toward continually growing deficit financing and all its evils has been halted.

The deficit for fiscal 1953 was almost $9½ billion. The budget this administration found when it assumed office presented an estimated deficit of nearly $10 billion. But because of overestimates of revenue, this deficit would actually have been more than $11 billion.

The Eisenhower administration has cut requested appropriations by more than $12 billion, and expenditures in this fiscal year have been reduced by about $7 billion.

This will give us an estimated budget deficit in our first full year of operation of less than $4 billion. In the coming year, fiscal 1955, we have further cut planned expenditures by more than an additional $5 billion.

Our plans, of course, can badly miscarry if adverse serious developments occur in the world, resulting in a revision of our future foreign undertakings.

We must and will always spend whatever is needed for our security; that is our first concern.

But, the worth of our defense must be measured not by its cost but by its wisdom.

And barring major unexpected future international developments, we must provide adequately for our security for the long pull and still continue to strive to make further savings in addition to those already made.

The cornerstone of our whole program is our firm belief that a sound economy is an absolute prerequisite to a strong defense over any extended period. It is the balance needed for maximum development of both that we must maintain.

I am honored to accept this tribute in behalf of this administration, which is dedicated to obtain more economy and efficiency in government. I am honored to receive this award with such distinguished and effective workers for economy and efficiency in government as former President Hoover and Senator Byrd, who have made such conspicuous contributions to its accomplishment over such a long period of years.

The achievements for which these awards are presented are vital. They are vital because they go to the very heart of the maintenance of a strong and healthy economy in this Nation which is not only the foundation for better jobs and better living for all our people but actually is the free world's first line of defense.

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## Exhibit 60.--Remarks by Under Secretary of the Treasury Folsom before the National Association of Manufacturers, New York City, December 3, 1953

This administration seeks to achieve two main goals: (1) To build up sufficient military power for our own defense and to help promote peace in the world; (2) and at the same time to strengthen and improve the productivity of our domestic economy.

As a part of the program for reaching these goals the President in his State of the Union Message described five objectives in the field of fiscal and economic policy. These objectives were:

First, to reduce the deficits planned by the previous administration and then at the earliest possible time balance the budget by reducing Federal expenditures to the very minimum within the limits of safety;

Second, to work toward the earliest possible reduction of the tax burden, remove inequalities, simplify the tax system, and revise the tax laws to reduce the obstacles to the vigorous growth of our economy;

Third, to manage properly the burden of our inheritance of debt and obligations;

Fourth, to check the menace of inflation; and

Fifth, to make constructive plans to encourage initiative.

What progress has been made toward meeting these objectives?

I will discuss the first two policies and show the progress we have made, and Mr. Burgess will discuss the other three.

The first step toward balancing the budget was to have every department and agency make tremendous efforts to get the previously planned spending under control. Little could be done about the expenditures for the fiscal year which ended on June 30, 1953, because they were all programmed and the year was more than half gone. The deficit for that fiscal year turned out to be $9.4 billion.

The budget submitted by the previous administration for the current fiscal year called for a deficit of $9.9 billion but because of the overestimate of revenues this

anticipated deficit had to be revised to $11.1 billion. A thorough review of all of the future military and civilian programs was undertaken immediately after the administration assumed office, with a view to reducing this deficit. The reviews have not yet been finished, but considerable progress has been made. By August of this year expenditures for the current fiscal year had been reduced by $6.5 billion from the January estimate. This, plus the $800 million of income gained from the six months' extension of the excess profits tax has resulted in reducing the prospective deficit from $11.1 billion to $3.8 billion, according to our present estimates.

While, in spite of these large reductions in expenditures, the administration budget for this year will still show a deficit, it is very encouraging that we now estimate a deficit in the cash budget of about $500 million.

It was because of this reduction in expenditures that justification could be made for the reduction in the individual income tax on January 1, 1954, and for eliminating the excess profits tax at the end of this year.

A most significant reduction in new authorizations for spending was made by the recent session of Congress. This was a $10 billion decrease in the authority to place orders which will reduce spending by that amount in future years. The balance of unliquidated obligations at the end of this year will thus be below the $81 billion which the administration faced at the first of this fiscal year. This large balance due on contracts and commitments greatly increases the difficulty of reducing expenditures.

Much remains to be done, but progress has been made and will continue to be made. This administration is determined to cut out careless spending. Every activity of Government is being reviewed to see if it is actually necessary. The necessary activities of Government are being reviewed to see that extravagance and waste are eliminated in the running of indispensable agencies, both civilian and military. We are trying to develop more dollar-consciousness on the part of all Government employees, both in and out of uniform.

The nature of the problem involved in bringing the budget into balance is shown by the following summary of the budget for the current fiscal year:

### Budget--fiscal 1954
[In billion dollars]

| | |
|---|---|
| Budget receipts | $68.3 |
| Budget expenditures | |
| National security: | |
| Defense Department | 41.7 |
| Mutual Security | 6.0 |
| Atomic Energy | 2.3 |
| | 50.0 |
| Other: | |
| Relatively uncontrollable | 14.7 |
| Controllable | 7.4 |
| Total expenditures | 72.1 |
| Budget deficit | 3.8 |
| Net trust fund receipts | 3.3 |
| Cash deficit | .5 |

National security expenditures amount to approximately 70 percent of the budget which is the major reason why it is extremely difficult to balance the budget as rapidly as we would like. Rapid reductions in security expenditures can be made only in two ways: First, by eliminating extravagance, and, second, by getting more defense for less money. The Defense Department is making good progress in both directions.

Of the $6 billion indicated for Mutual Security expenditures, by far the greater proportion is for military aid, and the amount of economic aid is being gradually reduced. The $14.7 billion of expenditures referred to as relatively uncontrollable include interest, veterans benefits, grants to the States, and other charges fixed by law. Congressional approval would be required before these expenditures could be reduced.

Let us now turn to the budget for the fiscal year 1955 for which all departments are now preparing their estimates of expenditures. No statement can be made about the expenditures side of the budget until the figures have all been compiled and presented to Congress. But we can discuss the revenue side.

Total revenues in the current fiscal year are estimated at $68.3 billion, the highest ever collected. The following are the principal sources; Individual income taxes, $34.0 billions; corporation income and excess profits taxes, $22.5 billions; and excise taxes, $10 billions.

It is estimated that the expiration of the excess profits tax will result in a loss of revenue of $1.6 billion in the fiscal year of 1955, as compared with 1954, and that the individual income tax reductions will reduce revenue by $1.9 billion compared with 1954.

If we add these estimated losses in revenue to the deficit for the current fiscal year, we would have an estimated deficit for 1955 of about $7.5 billion, assuming the same level of corporation profits and individual income and the same level of expenditures.

Additional tax reductions are scheduled to take place on April 1, 1954; with a reduction in certain excise taxes and reduction in the corporate income tax from 52 percent to 47 percent. These reductions would result in an annual loss of $3 billion but a loss in fiscal 1955 of $2 billion, as compared with 1954. If these April 1st reductions should take effect the total loss of revenue in 1955 would be $5.5 billion, which added to the present fiscal year's deficit, would being the total up to over $9 billion, assuming no change in national income and no reduction in expenditures. On the cash basis, this deficit would be about $6 billion.

As a result of the intensive effort being made by all of the departments, it is hoped that sufficient reductions can be made in expenditures so that the actual deficit will be reduced considerably below this amount.

Foreseeing the situation which would result next year, the President in May of this year recommended that the Congress rescind the reductions in corporate taxes and excise taxes scheduled to take effect on April 1, 1954. The reduction in taxes which will take effect in January will result in a loss of $5 billion in a full year. This is in accord with the administration policy to pass on in lower taxes the anticipated savings in expenditures as it appears they will be made.

Additional tax reduction is desired by everyone, and it is essential to the continued growth of our economy. But taxes can be reduced further only as expenditures are reduced, and in considering expenditure reduction we must always consider the maintenance of a strong defense and essential services of government.

Considerable progress has been made in the tax revision study which the President asked the Treasury to initiate.

The present system has developed haphazardly during the past 20 years, the rates being increased and new taxes added as revenue demands increased, without any clear or consistent policy. As a result, the system is too complex, has many inequities, and also handicaps the economic growth of the country.

The President, in the State of the Union Message, stated:

"Meanwhile, the tax structure as a whole demands review. The Secretary of the Treasury is undertaking this study immediately. We must develop a system of taxation which will impose the least possible obstacle to the dynamic growth of the country. This includes particularly real opportunity for the growth of small businesses. Many readjustments in existing taxes will be necessary to serve these objectives and also to remove existing inequities. Clarification and simplification in the tax laws as well as the regulations will be undertaken".

Since January, an intensive review and study have been made of the whole tax structure. This work has been carried on by the Treasury Analysis Staff under the direction of Dan Throop Smith, the Treasury Legal Advisory Staff under the direction of Kenneth W. Gemmill, and members of the administrative staff of the Internal Revenue Service, all working closely with the staff of the Congressional Joint Committee of Internal Revenue headed by Colin Stam.

Thus, on each of the many issues have been brought to bear the experience and knowledge of the economist, the lawyer, the accountant, the tax administrator from Treasury, and the congressional tax expert. There has been the finest cooperation between these groups.

Full advantage has also been taken of the studies and recommendations made during recent years by many outside organizations interested in tax revision. Few subjects have been studied as much. We have also consulted with many of these groups and many others who are directly affected by the inequities and complexities of the present system.

We are very much pleased with the progress made in this revision study. Agreements have been reached by these staff groups on many revisions of the Internal Revenue Code which will be recommended to the congressional committees, who, of course, make the decisions. Some of these technical revisions would remove existing complexities and inequities and would have little effect on revenue. Some of the more important revisions being considered would, however, result in some loss of revenue. Others will result in a loss in revenue at least during the first few years but it would be expected that the beneficial effects of these revisions would tend to offset these losses in the long run.

The extent to which these revisions can be adopted, therefore, will depend on the budget situation. We will not be able to afford as much revision as we would all like immediately. In some areas we can make a modest start at this time toward these objectives and in addition, provide for further reductions as rapidly as expenditure reductions, always consistent with national security, will permit. Thus in time we should have a tax structure which will be much less of a handicap to incentive and growth than the present one.

It would not be appropriate to discuss specific proposals at this time but I can say that those which we will recommend for adoption will be directed primarily toward stimulating productivity and growth and toward removing serious inequities.

The aim of the tax policies, as well as other economic policies of the administration, is to encourage the continuous growth of the economy so that with expanding income the taxes necessary to finance the security and the essential services of the Government will amount to a smaller proportion of national income.

The first big step in improving our tax system will be the expiration of the excess profits tax on December 31st and the simultaneous reduction of individual income tax rates.

We have also made real progress in the field of tax administration. In January the morale of the Internal Revenue Service was very low; a number of scandals had occurred in recent years and a complete reorganization had just been put into operation. To head up this important service the President appointed T. Coleman Andrews, a trained public accountant with broad experience in private and public life.

A number of changes have been made in the organization since last January with a view to further decentralizing activities so that most decisions in individual cases can be made in the field near the taxpayer. The headquarters staff will be concerned primarily with developing overall administrative policies and seeing that these policies are carried out uniformly throughout the service. As a result of these changes, considerable reductions have been made in the overhead costs and these savings are being directed to collection and enforcement activities.

Great effort is being made to speed up settlements in the field and to settle more cases administratively than in the past. This will avoid the more costly and complex Tax Court processes. It is the belief of the Commissioner that the collection of taxes is primarily an administrative matter and there is seldom any excuse for a dispute as to

facts being permitted to get into court. Results have already become apparent. A higher percentage of cases are now being settled at the first point of appeal. The appellate people are making more settlements.

A number of administrative changes have been made. Rulings requested by the taxpayer are being issued more promptly and more of these rulings are being published in the Internal Revenue Bulletin. Of particular significance to business people was the recent policy ruling that once a depreciation rate was agreed to by the agent and the taxpayer, no change could be made unless the circumstances were greatly altered. The backlog of unissued regulations dealing with recent legislation has been eliminated.

In another change in administration the Secretary of the Treasury has delegated to the Commissioner the appointment of practically all personnel.

The handling of all offers in compromise and closing agreements has also been delegated to the Commissioner. The result is that he will now have complete authority to close tax cases.

While progress is being made in tax administration, serious problems still remain. We were all surprised to learn the extent of the backlog of unaudited returns and past-due accounts which has been increasing for several years. The organization is making strenuous efforts to reverse this trend and then to get rid of the backlogs. This effort should result in less loss of revenue to the Treasury, as well as more prompt determination of the taxpayers' final liabilities.

This is a problem primarily of manpower. The service has been losing too many good men in recent years and there has been no systematic plan for the recruitment, development, and advancement of people in the organization. Mr. Andrews is now devoting much of his time to correcting this situation. His plans for next year include a training course to be conducted by a leading university for young college graduates who would like to make a career of tax work.

Our objectives are to restore public confidence in the Federal tax administration, by administering the law as Congress intended, by speeding up the settlement and auditing of tax returns, by tightening up enforcement, and by giving the taxpayer a fair break. We feel we are making good progress toward these objectives.

Thus, on the whole, we are making headway in meeting these difficult budget and tax problems. We know what our objectives are, but we realize it will be a long and difficult task. We are confident in time we can reach the goals we have in mind.

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## Exhibit 61.--Extracts from remarks by Under Secretary of the Treasury Folsom at the Bicentennial Celebration, Columbia University, New York City, June 4, 1954

### Current issues in financing income security

Progress of a three-pronged American program to provide income security for individuals was described to a Columbia University Bicentennial Conference today by Marion B. Folsom, Under Secretary of the Treasury.

The three elements of the Nation's attack on potential economic adversities were listed by Mr. Folsom as the efforts of individuals themselves, of employers, and of the Government, with individual self-reliance the force of first importance.

Praising the results of individual effort, Mr. Folsom said:

"Various indicators suggest that, on the whole, individuals have acquired a greater measure of protection against the loss of earnings than ever before. That protection takes various forms, including cash and bank deposits, home ownership, investment in securities (both privately issued and governmental), and the ownership of insurance, property, and productive business enterprises."

Some of the details given by Mr. Folsom were:

Liquid assets in the hands of individuals at the end of 1953 amounted to about $ 230 billion, an average of over $ 4,500 for each of approximately 51 million families and unattached individuals.

Fifty-four percent of all nonfarm families owned their homes at the beginning of 1953, compared with 41 percent before World War II.

An estimated 5,500,000 persons now own American industrial stocks directly, with many millions more owning equities indirectly through investment trusts, insurance companies, and trust funds. Stock ownership is not restricted to high income families; a recent analysis showed that 74 percent of 200,000 U. S. Steel Corporation shareholders had income of less than $ 10,000 and 56 percent had income of less than $ 5,000. These groups owned 53 percent and 37 percent of the stock, respectively.

Proposed partial relief from double taxation of dividend income would stimulate further investment in equity securities.

Four out of five families now have some life insurance on one or more of their members, with the grand total of life insurance in force amounting at the end of 1953 to $ 305 billion, representing protection for 90 million ordinary, industrial or group policy-holders. The grand total more than doubled after the end of World War II.

Mr. Folsom's report to the Columbia Bicentennial Conference IV was made in a paper entitled "Current Issues In Financing Income Security." He pointed out that plans of industry and Government are intended to supplement the efforts of individuals themselves.

"It is one of our strongest traditions that the individual shall rely first of all on his own efforts to acquire the protection necessary for those periods when income may be interrupted or terminated [he said]. In all of our plans, both in Government and in industry, we proceed on the assumption that such efforts on the part of the individual will be continued, if not intensified. For example, our social security program has been consciously formulated with a view toward providing no more than a basic minimum of protection so that it will stimulate additional, supplementary efforts by the individual. By providing this minimum protection, old-age and survivors insurance was designed to encourage additional efforts to achieve a comfortable retirement."

Among employer-sponsored plans to provide additional protection for individual workers, the thrift and savings type of plan is receiving increasing attention, Mr. Folsom said. Industrial pension plans remain the most important financially, however. At the end of 1953 there were an estimated 17,000 pension plans covering some 11 million persons.

Governmental programs, the paper said, deal with four major causes of income loss: Industrial accidents, old age, death of the family provider, and unemployment.

"The multiplicity of financing problems associated with our public programs for the assurance of income maintenance should not obscure the fact that we have a program that has thus far functioned remarkably well [Mr. Folsom summed up]. That is due in part to the resiliency of our economy. It is also due to the fact that our social security program has been designed to stimulate individual thrift and initiative and not to replace them. The future achievement of the program will be measured by its continued stimulus to these ancient virtues."

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## Exhibit 62.--Statement by Under Secretary of the Treasury Folsom before the Senate Committee on Post Office and Civil Service, June 10, 1954, on group life insurance for Federal employees

I am glad to have this opportunity to discuss this group life insurance proposal with you. The purpose of this bill is to offer to Federal employees the same opportunity

to buy life insurance on a low-cost basis that many millions in private industry have had for a number of years.

The principal reasons why group life insurance has proved to be so popular with employees in industry are: Its low cost, the sharing of the cost by the employer, and its availability without physical examination. The insurance offered is term insurance with no reserve accumulation, which is the lowest cost insurance available. As the average age of a large group shows little fluctuation, the premium doesn't increase from year to year as it would in case of an individual term policy. Another factor, which reduces the cost, is the low administrative expense in handling the insurance on a large group basis.

The overwhelming majority of group life insurance plans similar to that proposed in the bill are on a contributory basis, the cost being shared by the employees and the employer.

This plan is purely voluntary. In order to save time and expense, the bill provides that the protection would be automatically granted to each employee unless he signed a paper indicating he did not wish to participate. In this way the employee is guaranteed the protection unless he takes a positive action to indicate to his agency that he does not want to have deductions taken from his pay to provide this insurance. He can also drop out of the plan on any pay date in the future by formal notice.

Nearly all civilian employees of the three branches of the Government, and of the government of the District of Columbia, would be eligible for insurance coverage. This includes members of Congress, judges, and elected as well as appointed officials of the executive branch. Noncitizen employees stationed overseas would be excluded. The Civil Service Commission could by regulation, after consultation with the agency head concerned, exclude employees whose coverage would be administratively impracticable.

The amount of life insurance for which an employee would be eligible would equal annual compensation raised to the next higher multiple of $1,000, subject to a maximum of $20,000. No choice as to amount would be permitted. Following more recent industrial practice, the amount of insurance would be reduced by 2 percent per month after the employee attained age 65, subject to a minimum of not less than 25 percent of the original amount.

In addition, if the employee should die by accidental means, double the face amount of insurance would be payable. Furthermore, the employee would have dismemberment insurance in accordance with schedules to be laid down by the Commission. Normally this kind of contract provides that the face amount of the policy is payable for loss of two members (such as two legs or two arms) and one-half the face amount of the policy is payable for loss of one member.

As his share of the cost of all three types of insurance, life, accidental death, and dismemberment, an amount would be withheld from each salary payment at a rate not exceeding 25 cents bi-weekly for each $1,000 of his group life insurance. Thus the annual cost would be $6.50 for $1,000 of salary or, for example, $26.00 a year for the $4,000 salaried employee. This represents about the average premium now being paid by employees in private industry for similar insurance. The employing agency would contribute from its salary appropriations an amount not exceeding one-half the amount withheld from the employee. The experience in industry would indicate that net costs, over the long run, can be reduced below those figures. It is necessary, however, that a reserve be built up during the early years for contingencies and to meet the future increase in death benefits, resulting from the coverage of more people, after retirement.

The contributions by employees and employers would be deposited to a special fund in the Treasury, which would be available for premium payments to insurance companies and for expenses of the Civil Service Commission in administering the act.

If the employee should leave the Federal service because of reduction in force, resignation, or other reasons, his group insurance is discontinued. However, he does become entitled to a very valuable privilege, he has the right to purchase from the

company or companies with whom we contract, any policy that the company issues (with the exception of term insurance), without medical examination, and at the usual rate charged by the company. I want to stress particularly that it isn't necessary that the individual be in good health to obtain this insurance at the usual rates charged by the insurance company at the time of separation from the Federal service. The insurance company would be prohibited from charging an extra premium because the separated employee was a poor insurance risk.

Another most valuable feature of this bill has to do with people who retire in the future. This bill provides that if an employee retires on an immediate annuity, regardless of his age at the time of retirement, his insurance is continued without the payment of any further premiums on his part whatsoever. The full amount of insurance continues in effect until he attains the age of 65, at which time it starts to decrease as previously described.

The President's message stated that:

"In order to have advantages under this plan that are normally available to private employers, it is proposed that the insurance be cooperatively underwritten through the facilities of a large group of life insurance companies having experience in employee group life insurance benefits. These companies would establish a single administrative office to assure the utmost economy in the operation of the plan."

The bill provides that any life insurance company with group life insurance in force on employees of at least 25 different employers can participate in the underwriting of the risk. Well over seventy-five companies meet this test, and nation-wide company representation in the program would thus be possible.

It is not practical to make direct separate contracts with each such company. Among other reasons, Federal employees are located in all sections of the country, while many of the life insurance companies are not licensed to transact business in every State and the District of Columbia. Hence, the approach used in the bill is similar to that often used by the Government, whereby a large contract of purchase is made with one or more prime contractors who in turn would subcontract to many other concerns. A similar procedure is followed by a number of other large employers who obtain insurance of various kinds through a reinsurance arrangement among several insurance companies.

The bill authorizes the Commission to contract directly with one or more life insurance companies which are licensed to transact business in all States and the District of Columbia and have in force at least 1 percent of total employee group life insurance. About eight companies meet this test at present.

The company or companies selected would be required to reinsure portions of the total insurance with other companies electing to participate in the underwriting of the risk. The reinsurance would be apportioned according to a formula which would give the smaller companies a larger share in relation to their total group life insurance business than the larger companies. All companies including those which manage the plan would participate in accordance with the formula.

Accordingly, the underwriting of the proposed plan would be spread among all the insurance companies with a reasonable minimum of experience in the employees group life insurance field desiring to participate, rather than be concentrated in one, or only a few companies.

The premium rates to be charged by insurance companies would be determined by the Civil Service Commission on a basis consistent with the lowest rates charged large employers for group life and group accidental death and dismemberment insurance. Adjustment of rates would be made as experience required. The insurance companies would be required to report annually to the Civil Service Commission, accounting for all income and expenses under the policies. Any excess of premium income over mortality and other claim charges and expenses would be held as an interest-bearing

contingency reserve, for use only to meet future charges under the policy or for eventual return to the Treasury.

It is contemplated that expenses of the plan, including the cost of the administrative office of the insurance companies and the administrative expense and risk charges of the individual companies, will be less than 2 percent of the premiums. There will be no underwriting commissions included in the expenses. It is interesting to note that the National Association of Life Underwriters National Council unanimously endorsed this proposal of group life insurance for Federal employees despite the fact that no underwriting commissions would be paid.

Another item in the cost which should be particularly drawn to your attention is the taxes imposed by the States on insurance companies. On the average, the rate is 2 percent of premium income. Since under this bill it is estimated the insurance companies will receive premium income of $70 million, the companies would be taxed by the States about $1.4 million. This amount would be paid to the States by the companies in accordance with the geographical distribution of the insured Federal employees. Thus each State would gain tax income in equitable proportion.

One special problem would have to be resolved if this plan is adopted. Since the Federal Government has never provided group life insurance for its employees, there has grown up over the years a number of nonprofit employee beneficial associations. We have record of 17 such associations covering 135,000 employees. They exist simply for the purpose of providing Federal employees with small amounts of group life insurance. They have no official connection with the Federal Government, although their officers are usually Federal employees. The premiums charged under these plans are higher than under the proposed group life plan. In some cases the current premiums would probably have to be increased in the future to avoid financial difficulties. This would be particularly true if new and younger members are not recruited.

Because of the advantages of lower premiums of the proposed plan, it may thus be difficult for some of these beneficial association plans to continue. The bill accordingly provides that in fairness to former employees not eligible to participate in the new program, but whose insurance protection might otherwise be lost because of it, their present coverage would be continued at present premium rates. To take advantage of this arrangement, the association would have to terminate all of its life insurance agreements and turn over assets sufficient, if possible, to cover the liabilities involved.

If this bill passes, there will probably be about 1,750,000 employees taking advantage of the program if the acceptance is as general as in industry. The amount of insurance issued will be in the neighborhood of 7 billion dollars; and the annual premium collections will be in the neighborhood of 70 million dollars, of which about $22,750,000 will be the Government's contribution. These are large amounts, and it would seem desirable to establish an Advisory Council on Group Insurance to advise with the Commission on the program. The bill provides for such a Council consisting of the Secretary of the Treasury as chairman, the Secretary of Labor, and the Director of the Bureau of the Budget. In addition, the Commission would report annually to Congress upon the operation of this act.

The bill provides that the insurance and contribution provisions would be effective when directed by the Civil Service Commission, following its purchase of the required policies and the completion of administrative arrangements necessary to put the program into effect.

This proposal has been discussed fully with the President and Cabinet members and has their enthusiastic support.

Early enactment of the bill is recommended so that this protection can be given families of employees as soon as possible. On the average, about 1,000 Federal employees die each month. If enactment is delayed until the next session of Congress many families will lose the insurance benefits this plan would provide.

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## Exhibit 63.--Extracts from remarks by Under Secretary of the Treasury Folsom before the National Council for Community Improvement, Washington, D. C., June 24, 1954

The financial condition of our governments, Federal, State, and local, must be strengthened.

Forty years ago State and local taxes were about 75 percent of total tax revenues; now Federal taxes are 75 percent of the total. The total debts of all three levels of government were $5.5 billion 40 years ago, $42 billion 20 years ago, and are now about $296 billion. The 1953 debt was about 81 percent of our gross national product compared to 75 percent in 1933 and 14 percent in 1913.

At the Federal level we have been getting our financial house in better order. The deficit has been cut from $9.4 billion last year to an estimated $3.3 in the fiscal year which ends next week. Expenditures have been cut $7 billion this year with another $5 billion cut projected for next year. These reductions in expenditures have made possible tax cuts of $6.0 billion already; and if the revision bill now pending in Congress is passed, the total tax reduction this year will be $7.4 billion, the greatest dollar reduction in taxes in one year in our country's history. That includes a $1 billion reduction in excise taxes, a field in which the States and municipalities are particularly interested. No corresponding reduction has been made in the Federal grant-in-aid contributions for State and local governments.

These grants-in-aid amount to about $3 billion a year. This is 4 percent of total Federal expenditures but, looked at a different way, is the equivalent of 17 percent of the budget excluding National Security and interest expenditures.

In recent years, Federal aid to State and local governments has averaged about 11 percent of all State and local revenues, and in the poorer States the aid has amounted to a much higher percentage. These grant-in-aid programs have accumulated for years. Many originated piecemeal with small, initial appropriations to encourage particular activities. Twenty-five years ago all Federal aids to State and local governments totaled well under $200 million.

This whole question of grants-in-aid is one of the most important parts of the work of the Commission on Intergovernmental Relations. All of us on the Commission agree that it is time to have an objective appraisal of this whole system to see what should be done with it, to find out, first, whether the functions are really necessary; what level of government can best perform these functions; and, assuming we must continue some grant-in-aid programs, what is the best type of formula we can work out to do it on a basis fair to the States, the local governments, and Federal Government combined.

The Commission is developing objective, constructive recommendations. The fundamental importance of strengthening local governments will receive heavy weight in the Commission's deliberations as it does in the administration's program.

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## Exhibit 64.--Remarks by Deputy to the Secretary Burgess before the National Association of Manufacturers, New York City, December 3, 1953

Mr. Folsom has outlined the objectives laid down in the fiscal and economic field by President Eisenhower in his State of the Union Message just two weeks after assuming office eleven months ago. Mr. Folsom also discussed in detail the progress and problems in reaching these objectives in the fields of the budget and taxation. I will now talk briefly about some of the progress and problems, in the related fields of proper manage-

ment of our public debt, the checking of the menace of inflation, and encouragement of the initiative of our citizens.

The history of this country suggests that in the long run the American people will insist on the gradual reduction of the $275 billion national debt. We have done exactly that in the past, no matter how staggering the debt looked. In the meantime we must live with the debt and manage it as wisely as possible, so that it will do the least possible damage to our national economic health.

The debt has not been well managed in recent years. That conclusion was reached by two congressional committees headed by Democrats, the Douglas Committee of 1950 and the Patman Committee of 1952. Under the previous administration the interest rate was kept low by selling mostly short-term securities and using the powers of the Federal Reserve System to peg the rate at low levels.

Concerning this policy, Senator Douglas said on February 22, 1951:

".....The costs to the Government and to the people have been far greater than the gains which we have made from a lower interest rate. The increase in prices since Korea are probably already adding to the Federal Government costs at the approximate rate of six billion a year.

"The cost of meeting the interest on the public debt is now roughly $5,800,000,000. The entire budget submitted by the President for fiscal year 1952 is approximately $71,600,000,000. This means that Government expenditures for purposes other than interest, that is for services and materials, will be approximately $66,000,000,000. It is a conservative estimate that there has been a general increase in prices of commodities and services of roughly 10 percent as a result of the inflation; so that this inflationary price increase, then is already costing the Government at least $6,000,000,000, and possibly more. That is in excess of the total amount which the Government now pays in interest.

"Even if interest rates were doubled, which is at best a very remote possibility, the added cost of meeting the interest on the public debt would not equal the cost to the Government because of the rise in prices that has already taken place.

"Furthermore, our whole society has been greatly disturbed and convulsed by the increase in the cost of living which has taken place; and no one knows what lies ahead. The responsibility for all this lies proximately and immediately with the Federal Reserve, but ultimately and really with the Treasury. I am not interested in putting anyone in the pillory and holding him up to public scorn. I am not interested in castigating people or institutions for the fun of it. I am vitally concerned, however, as to what will happen to this country if this policy is not changed....."

As to the right policy to follow, the conclusion reached by Senator Douglas' Committee, which was in turn endorsed by Congressman Patman's Committee two years later, was that the Federal Reserve System should be freed------

"..... to restrict credit and raise interest rates for general stabilization purposes.... even if the cost should prove to be a significant increase in service charges on the Federal debt."

This general conclusion was partially put into effect by the "accord" reached in the spring of 1951 between the Treasury and the Federal Reserve System. The step was a great victory for sound money and resulted from a wave of public opinion in opposition to the policies which had been followed and which, as Senator Douglas stated, had done such damage.

In his State of the Union Message President Eisenhower made it clear that this administration would put fully into effect sound debt management policies. This meant lengthening the maturity of the debt, giving it wider distribution, and working in cooperation with the Federal Reserve System for the general public welfare.

We found a debt one quarter of which was payable within a year, and about three quarters within five years. In 1953 we have had to go to the market nine times to refund maturities or raise new money--this apart from nearly $20 billion of Treasury bills rolling over every quarter.

This tremendous pressure of short-term debt has been inflationary; it could equally well at times be deflationary. It has left no free times for the Federal Reserve to make its policies effective. The Treasury has been in constant competition with the financing of private enterprise and States and municipalities, to the detriment of all. That was the situation we found.

We have now come through the first year's financing. In five of our nine operations we have stretched out at least part of the debt into maturities of from 3-1/2 to 30 years. We have sold the first long-term fully marketable bond issue since 1945 at a rate which long-term investment institutions consider fair to the savers they represent. We have done this in a market free from artificial Federal Reserve price supports.

Early in the year the Reserve System allowed the natural forces of a huge demand for money to tighten money rates. This was certainly sound central bank policy at a time of record production, rising inventories, and disturbing increases in consumer credit, and at a time when price and wage controls were being removed. For the Federal Reserve to have fed money into this situation to keep money rates easy would have been the height of folly. It would have accentuated the boom, encouraged further piling up of inventory, further use of bank credit. This would have greatly increased the danger of later recession.

I want to make it clear, however, that the decision on money was the responsibility of the independent Federal Reserve System, just as emphasized by the Douglas Committee. The Treasury operations in putting out a 3-1/4 percent long-term bond issue of course had some influence on the money market, but we did not pull that rate out of the air. It was the going rate in the market as shown by current transactions. It was the lowest rate at which the Treasury could borrow long-term money unless, indeed, the Reserve System had poured their money into the market, and resumed the inflation of bank credit.

The Treasury was not pursuing a "hard money" policy, nor indeed was the Federal Reserve. To the extent that money was a little more difficult to get, it reflected the working of the law of supply and demand in a free market. It had been so long since the money market had been free that it staggered a little under the impact of fresh air. Even some of our friends who had clamored the loudest for free markets did some complaining. And of course the opponents of freedom and lovers of regimentation were loud in their wails.

With the turn of the half year the money situation changed. The business demand for funds lessened; the threat of inflation receded; there were some evidences of slowing business activity; some farm incomes declined. Under these circumstances the Federal Reserve System did not hesitate to make available the funds which they calculated would be required for seasonal and other essential requirements, including the funds the Treasury needed to meet its cash deficit. Money became easier, due, not to any change in administration policy, but largely to an actual and prospective change in the demand for money. The announcement late in August that the Federal budget for the current year might be brought into cash balance had an important psychological effect.

The results of the year's efforts towards putting the Government debt in sounder shape are just a good beginning. We have succeeded in raising nine billion dollars of new cash with little if any increase in holdings of Government securities by the commercial banking system. Holdings by investors outside of the banks appear to be up over four billion dollars. The savings bonds program is doing well under the stimulus of renewed sales effort, and by the better prospect for sound, honest money which retains its buying power. Individuals have increased their holdings of marketable securities this year, too, for the first time in many years. Meanwhile, savings institutions have halted their long decline in holdings of Governments which has characterized recent years, and short-term issues have been taken well outside the banks. In summary, debt operations have had no inflationary effect.

Looking ahead we have about the same job to do over again next year. About one quarter of the debt still matures within a year. It took us a long time to get into this mess and it will take a long time to get out.

We shall start the year with the advantage of a more flexible rate structure, a money market accustomed to more freedom, a better public understanding of what needs to be done, and with a stronger and more experienced Treasury team.

We shall continue to stress the sale of savings bonds. It is a good thing for the Government and a good thing for the people to have these bonds widely distributed in the hands of many millions of people. In this program we need your help, particularly in the payroll savings plan.

What this administration has done in bringing more freedom to the money market is consistent with our general objective of encouraging the initiative of free citizens. This freedom in the money market has been promoted along with more freedom in many other directions.

Soon after this administration came into office, needless controls across the board were lifted. These controls were curbing the initiative and enterprise of American citizens.

This administration sincerely believes that the average American can do more for himself, if he is allowed to do so, than the Government can do for him. We shall continue to work toward this objective of encouraging initiative, for we feel that initiative and enterprise, the opportunity to better oneself by effort, are the traits that have made this Nation great.

In conclusion, let me emphasize that the technical problems I have mentioned in discussing our handling of the debt are just as closely related to the welfare of the people of this country as our housing or social security or employment. Their proper solution forms the basis for honest money which keeps its value over the years.

And honest money is essential in combatting the evils of inflation and deflation, in assuring honest pay for an honest day's work, and in encouraging the flow of savings on which are built our country's future. This is true because out of savings has come our great productive economy which not only brings better living to all Americans but actually is our real first line of defense against any would-be aggressor.

We are seeking a very human, an all-important, objective when, through sound management of the national debt, we work for sound, honest money.

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## Exhibit 65.--Address by Deputy to the Secretary Burgess at a joint meeting of the American Economic Association and the American Finance Association, Washington, D. C., December 29, 1953

### FEDERAL RESERVE AND TREASURY RELATIONS

I was very glad to accept this invitation because it gave me a chance to get back among many old friends and others whose names I have seen signed to interesting articles and are familiar in the field in which I now work. In fact, I felt a little bit like a boy out of school to come here and meet with you. I suppose it was that seductive atmosphere that led me to adopt the title that I have for this talk: The relation of the Reserve System and the Treasury.

A few weeks ago, Emerson Schmidt called my office to find out what the title would be, and I sent back that title. He called back a few minutes later and asked my secretary if she was sure that that was the right title, because that was such a highly controversial subject. I sent back word that that was the right title, and that it was no longer a controversial subject. In fact, if I can give you in tabloid form what I want to say to you, it is exactly that--that the question of the relation of the Treasury and the Reserve System is

not now controversial. We are getting along with amity and with understanding, and there is no controversy between the Federal Reserve and the Treasury.

Now, why did I want to talk about that? Well, obviously there has been in this country a considerable misunderstanding about that relationship, and it has appeared in the literature and the discussions of the subject. It has all been lumped together--the hard money policy of the administration, without distinguishing what the functions of the Treasury and the Reserve System were--and more latterly the cynical have said, "Well, they tried the hard money policy and debt funding and just decided that it was more popular to go back to the old New Deal inflationary methods, and so the administration has just turned around and adopted again the old inflationary policies," there again without any appreciation that that was lumping together in one ball of wax a group of ideas and a group of descriptions of action that didn't belong together.

I am tempted to turn back the pages of history--this will make it very dull for my newspaper friends because there isn't much news in it--and exercise the prerogatives of somebody who has been in this field a long time and ramble around a little bit in that history to try to shed light, if I can, on the relationship of Treasury and Reserve System in the history of the past. And of necessity I have to be a little personal.

The System celebrated forty years since the passing of the legislation last summer and is now celebrating forty years of the life of the System. I have been in very close touch with the System, in it or near it, for thirty-four of those forty years.

Carl Snyder, an old associate of mine in the New York Reserve Bank, used to have a phrase. He said, "To be interesting what you need is an attitude of cheerful garrulity," and I shall try to be cheerful and let you judge whether I am garrulous or not.

The important and interesting thing that I gather from this swing of history is that in the changes in economic fashions--and, after all, economists have their fashions just as much as the ladies have in their dresses--it seems to me that a very important thing has happened: that the wheel has turned and we have swung back again to a regard for central banking policy as a major economic factor.

If you want chapter and verse for that, take the statements of the Douglas and the Patman committees. I quote from the first page of both those documents. This was the Douglas subcommittee in 1950:

"We recommend not only that appropriate vigorous and coordinated monetary, credit, and fiscal policies be employed to promote the purposes of the Employment Act, but also that such policies constitute the Government's primary and principal method of promoting these purposes."

And the Patman committee, chaired by someone who certainly wasn't in the old school of classical tradition:

"We believe that general monetary, credit, and fiscal policies should be the Government's primary and principal means of promoting the ends of price stability and high-level employment, and that whenever possible reliance should be placed on these means in preference to devices such as price, wage, and allocation control and to a lesser extent selective credit controls, all of which involve intervention in particular markets."

Now let me very quickly expose to you what seem to me the broad periods in this forty-year history. This isn't a course on the Federal Reserve System, but I think perhaps the outline is as many of you give it.

### The discovery of central banking

The first episode, perhaps, was the discovery of central banking in this country. That dates from the nineties, after the panic of 1893 and 1896, and goes through the period of the report of the Monetary Commission, the Aldrich Commission, and up through to the establishment of the Federal Reserve Act. And for a series of years we had a study and exposure of the whole history of central banking as it appeared in the world. "Lombard

Street" became a familiar document in our schools and colleges. The feeling that a bank could exist that had a great public interest became imbedded in our philosophy. As a result the Federal Reserve System was established. I think, looking back at it, we would say it was a job on the whole extremely well done.

There have been a great many changes in the System, but the outlines of it and the general philosophy of it have remained through these forty years with relatively little major change. Perhaps the principal change has been one of emphasis. All of that early literature focused on how you get an instrument to deal with panics; how, when the panic has arrived, you deal with it. Now we go back of that. The framework constructed at that time was able to carry the broader load with some rather modest changes.

## Experimentation and testing

Then we go through a period of the heyday of central banking--from the establishment of the act through until, say 1933, when we had a period of experimentation, a period of testing. In World War I, the System demonstrated its utility as a mechanism for financing the war, for providing the funds that were needed. We went through that brief panic of 1920, with its tremendous drop in prices, and we learned something from it. We went again into the period of the twenties and the discovery of the major aspects of Federal Reserve policy. I think even today the 1923 annual report of the Reserve System is a standard document that can apply today to most of the things we do. We had the period of Ben Strong and his policies, which I remember so vividly, where he discovered the meaning of open-market operations and wrote it down and made it a part of the literature of the time; it hadn't existed before.

Then we fought through 1928 and 1933 the losing battle against the forces of deflation. All of you, I am sure, in courses that you may give or things you may write, have your own explanations for that. But there it was as part of that period of testing and experiment.

## Valley of the shadow

I would like to suggest that the next period of the history of the System and of the relationship of the Treasury and the System could be called the valley of the shadow, and that period dates from 1933 to 1951. It is a period when central banking lost its standing in this country to a considerable extent, and abroad as well.

Swamped in the wave of the great depression, for which central banking had to take its due share of blame, we turned to the new philosophies of Keynes, of consumer purchasing power, of the various kinds of controls that you might exercise. We tried to revise our own system here in the banking acts of 1933 and 1935. Fortunately, we didn't do too much damage, nor in the main very much good, although certain features were added that were helpful.

I suppose that period came to its apex in the nationalization of central banks. During that period, the records of the Patman committee showed that in the thirties about four of the banks were nationalized and after that, in the forties, there were ten of the central banks that were nationalized in terms of turning the stock ownership over to the government or making one or another move to put the control more directly under the government. Of course, the notable ones were the nationalization of the Bank of England and the Bank of France, where the Bank of England was under the law required to take orders from the Chancellor of the Exchequer after consultation with the Governor of the Bank--a curious phrase. Incidentally, that nationalization law was printed on just a single page, but it turned the bank from a private bank into a public bank in theory, although in practice the effect has been minor.

In France, of course, the head of the central bank and the Deputy Governor had been appointed by the government for a long time before. But the share ownership had been in private hands; that was changed over. The council was changed and was appointed by the government rather than by the private shareowners.

I remember having lunch at the Bank of France. It was a rather dangerous experience; I was always sick after having lunch at the Bank of France because the food was so good.

But I remember having lunch at the Bank of France in 1928 or 1929; the executive committee of the council was present with some of the large shareholders, and I found them seriously considering whether the franc shouldn't eventually go back to its 19 cents instead of the 4 cents that it was at that time. And I made a little note at that time that that kind of thinking was going to call for some sort of action some day. Of course, the nationalization of the bank was a perfectly logical step.

Then we had in this country the long battle--and I think indeed it was a battle--for survival of the Federal Reserve System with the forces of the Government. I remember so well the day in 1933 or early 1934 when the lawyers from the Attorney General's office came into the New York Federal Reserve Bank to arrange the turning over of the gold from the Bank to the Federal Treasury, and the gentlemen who were assigned that purpose certainly didn't believe in an independent central bank or a bank having any slightest shred of independence. And that period of eighteen years, from 1933 to 1951, was a struggle for survival of our Federal Reserve System in the face of a tremendous desire on the part of a great many people to bring the Federal Reserve System to heel. And it is greatly to the credit of the people in the Reserve System that they were able to preserve their very life through that period.

## Revival of monetary policy

The period from 1951 on, I would say, could be designated the period of revival of central banking policy, of monetary policy, not only here but throughout the world. Of course, the most dramatic evidence of that was to be found in the European countries. It stands out very vividly to me because I visited Germany in 1946 and again in 1950. The thing that happened between those dates was the revaluation of the currency and the reestablishment of the German currency system after the Dodge Plan, devised by our own Joe Dodge, now Director of the Budget. There you saw an economy turning from night to day in the space of a few months when a sound monetary and fiscal policy was adopted. The same thing happened in Belgium; it happened in Italy; it happened in somewhat less degree in England. But you have had in these past years a demonstration of what sound money can do for a country that has hardly been equaled in the history of economics.

That process has brought out certain of the virtues of central banking as almost never before. One thing that has impressed me enormously has been the continuity of central bankers. The Bank of England in my generation has had three governors, Norman, Catto, and Cobbold. While governments came and went, those three governors ran the bank; while governments came and went, those men stayed in power.

The same was true to a degree in the Bank of France. There you had the names of Moreau, who put the pressure on Poincare to stabilize the franc in 1926; Moret; his successor, Monnick; Baumgartner--a relatively few names, while if you tried to name the names of the premiers of France in that period it would be a very long list.

The continuity of those men and their ability, with government after government, to insist quietly and persistently on sound monetary policies was a demonstration of one of the major reasons why central banking can be the factor in a country's economy suggested by those quotations from the Douglas and the Patman reports.

Of course, in this country, in the Federal Reserve Bank of New York you have had three governors over this entire forty years of the history of that bank, Strong, Harrison, and Sproul. In the Federal Reserve Board you have had a good many more leaders but a very substantial amount of continuity, carrying on from areas of one political complexion to another an emphasis on the mechanisms of sound finance.

Here in this country we have had in these years something of a miracle. You had a period in which the Federal Reserve System was under the dominance of the Treasury and in a battle for its independence of existence. I heard it said so many times when we discussed that battle over that period that in a battle between the central bank and the Treasury, the central bank never wins. In this case the Treasury had the backing of the President of the United States, but the central bank won the battle.

Through the accord in 1951, the System again regained its right to operate in the money markets in the way that was for the welfare of the people instead of acting to peg the

prices of Government securities to enable the Government to borrow cheaply. It is one of the dramatic instances in history where the central bank regained the right to exercise its essential powers.

That battle was won partly due to what was perhaps in part accident but is, I think, a milestone perhaps in the history of finance in this country, and that was the fact of the Douglas and the Patman reports. You had two subcommittees of the Congress who conducted studies in the area of money and whose reports, gathering in the testimony of many of you here in this audience today, built up a volume on this whole subject of money that is most impressive. And the reports as they came out educated public opinion, and in my judgment, built up a background against which a central bank could win its battle with the Treasury and with the administration.

Well, now, I present those four stages of the Federal Reserve System just as a method of arranging that history as it sheds light on what we have today. What are the conclusions that we can learn as to the principles of monetary policy as they face us today?

## Principles of monetary policy

The first principle, it seems to me, is that monetary policies are effective; that those quotations that I have read from the Patman and the Douglas reports are bolstered adequately by the facts.

Now, I believe also that if we looked back over that long period of history--and I am not going to introduce the evidence today--what we would see would be that the effectiveness of a central bank monetary policy depends on its action on the upside of a business cycle much more than it does on the downside.

The word "inflation", if you go to Europe, means an entirely different thing from what it means in this country. We don't know what inflation means. Inflation there has a connotation of economic horror that we know nothing about. And we have seen in these recent years the effectiveness of monetary and fiscal policy in dealing with inflation on the upside of that swing.

Now, I think the Douglas committee report recognized that in its language pretty fully. I just call your attention to a quotation from that report:

"But we believe that the advantages of avoiding inflation are so great, that a restrictive monetary policy can contribute so much to this end, that the freedom of the Federal Reserve to restrict credit and raise interest rates for general stabilization purposes should be restored even if the cost should be a significant increase in service charges on the Federal debt and the greater inconvenience to the Treasury in its sale of securities for new financing and refunding purposes."

Now, of course, that emphasis on avoiding the excesses on the upswing of inflation sheds a little light on the interpretation of the Full Employment Act as an objective for economic policy. The danger of the interpretation of that act is that you should interpret it that every Government agency should always be exerting its efforts to push things up; and what I am talking about is monetary policy exerting its efforts to keep things from going too fast, because when they have gone too fast, the downswing becomes more serious.

The emphasis there, then, is on living properly and living soundly so that you don't get sick. The emphasis is on not going on an eight-day jag, rather than on thinking about how you can cure yourself after you get through the jag.

The third point that I would emphasize is that the Federal Reserve-Treasury relationship rests on mutual respect and understanding and offers no inherent difficulties. I believe that Senator Douglas' suggestion that good fences make good neighbors is a good principle that can be followed without too serious difficulties.

Incidentally, that is very similar to what was cited as an objective in the Republican Party platform: "A Federal Reserve System, exercising its functions in money and credit, without pressure for political purposes from the Treasury or the White House."

There were in those two reports a number of suggestions of mechanisms for trying to improve the relationship between the Treasury and the Reserve System. One was the proposal for a credit or monetary council that would bring together the chairman of the Board of Governors of the Federal Reserve, the Secretary of the Treasury, the head of the RFC, the head of the Farm Credit Administration, and some of the others, for discussion of monetary and credit problems. Now, the difficulty with that, of course, is that it is the old organization problem. If you don't like what is going on in departments A and B, just put another department on top of them instead of trying to cure what is wrong with the relationship of the two departments. If the Secretary of the Treasury and the head of the Federal Reserve Board don't get along together, you don't help that by calling both together and putting them in a meeting with a lot of other fellows.

There is, of course, a good deal to be said for bringing under a general credit policy some of the other agencies of Government, such as the Farm Credit Administration, the Housing Administration, the Export-Import Bank, the RFC, and so forth. But that is an entirely different question from monetary policy.

Now, the other suggestion made in these reports for dealing with this situation was that the Congress should give the Reserve System a more clear bill of particulars and define its relationship with the Treasury. I must say that is a suggestion for which one has to have a good deal of sympathy because, as you read the Federal Reserve Act, the statement of objectives is not too clear; it takes a good deal of interpretation. But the Congress has had a couple of whacks at trying to word that. The Board has tried to word it two or three times without succeeding. You bog down in a welter of meanings of words. You all know the difficulty of trying to agree on a statement of that sort. If you compromise and try to get it, the result is you usually find it doesn't apply when the next situation arises. So I am inclined to agree with Emanuel Goldenweiser's statement before the Patman committee that you don't need it; if you conduct your business as well as you know how, you don't need this extra bill of particulars.

## The 1953 experience

Those are the three principles that, it seems to me, arise from our experience with the System, and I would like to suggest that our experience in 1953 in the operations of the Treasury and the Reserve System illustrate exactly the principles that I have cited, and illustrate them in an almost classic way.

In the first half of the year, there was a bulge in employment, in production, in almost all of the economic indices. I asked our people to make up a list of the highs that were made in the first half year.

Production was at an alltime record. The index of industrial production reached a peak of 137 (on the new 1947-49 base) in both May and July 1953, which compares with an average of 124 for calendar 1952. (October index is 132.)

Production was exceeding sales, causing a threatening accumulation of inventories in the hands of both manufacturers and distributors. Total business inventories rose steadily until the end of September, increasing from $74.8 billion at the end of the previous year to $79.4 billion in September. (October inventories = $79.0 billion.)

The high defense expenditures, added to record plant and equipment expenditures and record consumer expenditures, put serious inflationary strains on the economy.

A continued rise in the money supply, after seasonal allowances, together with the prospect of a large Federal deficit in fiscal 1954, created inflationary pressures in the monetary and fiscal area. The privately held money supply at the end of April stood at $192.2 billion, a new record for the month and $8.4 billion higher than a year earlier. (In October it was up $7.1 billion from a year earlier.)

Civilian employment was at an alltime record. The pressure on the labor supply reduced unemployment to the lowest levels since World War II, and forced large expenditures for overtime employment.

Personal income rose steadily to successive new records. The peak was reached in July at an annual rate of $287.5 billion, which compares with a figure of $269.7 billion for the previous calendar year.

On top of the high personal income, which reached record levels both before and after taxes, consumer purchasing power in early 1953 was being augmented by a rapid increase in consumer credit. Total consumer credit outstanding rose by more than $1-1/2 billion during the first half of the year, when a seasonal reduction is normally to be expected. It continued to rise in succeeding months, but at a diminishing rate.

Mortgage lending was also expanding. Nonfarm mortgage recordings (of $20,000 or less) in the first half of 1953 totaled more than $9-1/2 billion, or 13 percent above those in the same period of the previous year.

Business loans continued very high in the first part of 1953, and until the beginning of May they showed noticeably less than the usual reduction from the December seasonal peak. Total loans of all commercial banks increased $1.0 billion from the end of December to the end of March, as compared with an increase of only $0.1 billion in the same period of the previous year.

Expenditures for new plant and equipment reached a new alltime record in the first quarter of 1953, and continued to rise sharply in the two following quarters as previously planned expenditures were carried out. Expenditures in the third quarter were at an annual rate of $28.8 billion, in comparison with $27.8 billion for the 1952 calendar year.

In the financing of this great volume of new capital expenditures, total new security issues for new capital (including both corporate and municipal) amounted to more than $7 billion in the first half of 1953, an alltime record, exceeding the year-earlier figure by 4 percent.

Total new construction reached a record volume in the first half of 1953, and the half-year total was 8 percent higher than in the same period of the previous year.

Reflecting the inflationary pressures in the economy during the first half of 1953, prices of commodities other than farm products and foods rose gradually but steadily until midsummer. Despite weakness in farm products and certain other materials due to excessive production, the broad all-commodity index rose to the year's peak of 111.0 in September, from 109.6 in the previous December.

In other words, what you had was the typical period of a business boom; and typically that called for a policy of restraint on the part of the central bank. It called for a policy of cooperation of the Treasury with the central bank in this policy of restraint, and that is exactly what was done.

In the second half year, the inflationary threat diminished as some of the indexes turned down. That was a situation that called classically for an easing of the pressures on money, and that again is exactly what was done.

So, gentlemen, I conclude by saying what I said at the start. There is no controversy between the Treasury and the Reserve System. There need be no controversy. We are both trying to do the same job of adapting our policies to the economic welfare of the country, and not to shorter aims.

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## Exhibit 66.--Statement by Deputy to the Secretary Burgess before the Subcommittee on Federal Reserve Matters of the Senate Committee on Banking and Currency, May 13, 1954, on extending the authority of the Federal Reserve Banks to purchase securities directly from the Treasury

I appreciate the opportunity to present the Treasury's views on S. 3206.

The enactment of this bill was requested by Secretary of the Treasury Humphrey in his letter to the President of the Senate, dated March 9, 1954. It has been endorsed by the Board of Governors of the Federal Reserve System.

The purpose of the bill is to extend for two more years the authority of the Federal Reserve Banks to purchase securities directly from the Treasury in an amount not to exceed $5 billion outstanding at any one time.

Under the original Federal Reserve Act, the Federal Reserve Banks had authority to purchase Government obligations, either in the market or directly from the Treasury. The Banking Act of 1935 limited this authority, however, to open market transactions. In 1942, the Second War Powers Act restored the authority of the Federal Reserve Banks to make purchases directly from the Treasury, up to $5 billion outstanding at any one time. This authority, which was initially granted only through December 31, 1944, was subsequently extended by the Congress from time to time. The most recent extension was for two years and will expire on June 30, 1954, unless it is extended further by the Congress.

This direct purchase authority permits the Treasury, in cooperation with the Federal Reserve, to smooth out the effect on the economy of short-run peaks in its cash receipts and disbursements, especially at quarterly tax dates. These short-run peaks involve large figures. Total Treasury deposits in the month of March 1954, for example, exceeded $13 billion, of which $10 billion were concentrated in the last half of the month. Sound financial management requires that the disturbing effect of such a tremendous flow of funds be held to a minimum. This direct borrowing authority is one of the tools that the Treasury and the Federal Reserve use for this purpose.

The authority is used only occasionally and only for short periods. On March 15, 1954, for example, the Treasury borrowed $134 million from the Federal Reserve and the next day an additional $56 million. All of this was paid back on March 17 as tax receipts became available. The Treasury has never used this borrowing authority on other than a temporary basis and has no intention of doing so. There has been only one day since the end of World War II when the amount of such borrowing outstanding has exceeded $1 billion, and typically the borrowing has been repaid within two weeks.

If the Treasury did not have this authority it would have to maintain larger cash balances in order to meet its disbursement requirements just before heavy tax receipts.

The direct borrowing authority is a useful mechanism in handling Treasury funds economically and with least economic disturbance. In addition, it provides flexibility to meet possible emergency situations.

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## Exhibit 67.--Extract from an address by Deputy to the Secretary Burgess before the Graduate School of Banking, American Bankers Association, New Brunswick, N. J., June 18, 1954

A year ago when I spoke here, it was only possible to tell you the aims and purposes of the Eisenhower Administration.

Today, we can begin to speak of achievement.

A legislative program has been presented to the Congress which was as thoroughly prepared as any program of legislation ever presented. This program is conservative in economic principles, liberal in human objectives.

Much of the program is well on its way through the Congress. Some of it is in controversy and needs the thoughtful attention of people like you.

In finance, we can report some success. The aims were simple: Economy, lower taxes, honest money. These aims had to be pursued in an atmosphere of international tension, which required the maintenance and strengthening of the military power of this country and our allies. Nevertheless, progress has been made.

Economy: We have cut spending this fiscal year, which ends in a few days, by seven billion dollars from the Truman budget. Next fiscal year, we have budgeted for a reduction of another five billion dollars. The total decrease in spending is thus twelve billion dollars. This is about as fast as spending can be cut while still maintaining adequate defense and not giving the economy too severe a jolt. Contrary to some reports, there is no present plan for changing this budget program.

Taxes: Cuts in taxes, effective last January 1, totaled five billion dollars a year. The excise tax cut on April 1 was about one billion dollars. The tax reform bill now before Congress, if passed, will reduce taxes another 1.4 billion dollars. These cuts add up to 7.4 billion dollars, the largest dollar tax reduction ever made in a single year.

About two-thirds of these cuts go to individuals. The rest relieves business and encourages it to move ahead, to employ more people.

Honest money: For a year and a half, the price level has been relatively stable. Inflation was stopped; the ensuing readjustment was mild and gives evidence of leveling off.

The Treasury and the Federal Reserve System have used their powers vigorously toward economic stability and growth. Cutting expenses and reducing taxes were for that purpose. The arrangement of types of Treasury financing has been adjusted to this end.

The Federal Reserve System has been freed to exercise its powers through the discount rate and open-market operations and changes in reserve requirements to check the inflationary tendency in early 1953 and, when the turn came, to encourage the freer use of money and check recession. It has been a flexible policy.

In their efforts to encourage stability and growth, the Treasury and the Reserve System have been following precisely the principles laid down in 1950 by the Douglas Subcommittee of the Joint Committee on the Economic Report, as follows:

"We recommend not only that appropriate, vigorous, and coordinated monetary, credit, and fiscal policies be employed to promote the purposes of the Employment Act, but also that such policies constitute the Government's primary and principal method of promoting those purposes."

It should be noted also that the Patman subcommittee of the same general committee endorsed in 1952 the foregoing statement by the Douglas subcommittee.

The great, outstanding purpose of the program of this administration is more freedom and the removal of handicaps to freedom; freedom for the people of this country to make long-term, dynamic progress; freedom to make more and better jobs and to produce higher standards of living.

Aside from war, what are the economic enemies of human progress? One such enemy is too much Government: too many controls, too high taxes, and too much Government spending. It is the people of the country who make prosperity, with their effort, their initiative, and their genius. This Government's program for economy, lower taxes, reducing controls, and freer markets is a program to release more of the energies of the American people to work for their own welfare.

Another great enemy of human welfare has been inflation or deflation. Inflation robs the saver for the benefit of the speculator and too often paves the way for deflation. This country has had bitter experiences with both inflation and deflation. The inflation of World War I was followed by the deflation of 1921. The inflation of the late '20's was followed by the deflation of the '30's. The inflation of World War II and after, followed by the inflation of Korea, had cut the buying power of the dollar nearly in half and, if continued, would have run the risk of a violent deflation.

Experience both here and abroad has demonstrated some of the principles of avoiding inflation and deflation and curbing their destructive power over human welfare. A major cause of these movements has been unwise Government policies. A major cure is found in sound fiscal and monetary policies. This is our objective, to avoid the excesses of inflation and deflation and other handicaps to the prosperity and economic growth of the country.

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# ORGANIZATION AND PROCEDURE

## Exhibit 68.--Treasury Department orders relating to organization and procedure

### NO. 81, REVISION NO. 2, OCTOBER 30, 1953, RELATING TO THE COMMITTEE ON PRINTING AND PUBLICATION

By virtue of the authority vested in me as Secretary of the Treasury by Section 161 of the Revised Statutes, Executive Order 397 of January 20, 1906, and all other provisions of law, there is hereby established in the Treasury Department a Committee on Printing and Publication.

In the interest of further economy and efficiency, the Committee shall exercise general supervision over all printing and binding originating in and procured for use by the Treasury Department. The Committee shall make recommendations regarding regulations governing or affecting the general printing policies of the Department, and such regulations shall be subject to the approval of the Administrative Assistant Secretary.

The Committee shall consist of three members. The members and their alternates shall be appointed by the Administrative Assistant Secretary. In addition, the Administrative Assistant Secretary shall designate the Chairman of the Committee. The alternate to the chairman shall be authorized to serve as chairman in the absence of the chairman.

This order supersedes Treasury Department Order No. 81, dated February 14, 1947; and Treasury Department Order No. 81 (Revised), dated February 2, 1950.

M. B. Folsom,
Acting Secretary of the Treasury.

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### NO. 82, REVISION AND AMENDMENTS 1 AND 2, RULES TO GOVERN THE PERSONNEL SECURITY PROGRAM

No. 82, Revised September 22, 1953[1]

Pursuant to the authority contained in the act of August 26, 1950 (64 Stat. 476, c. 803); Executive Order No. 10450, approved April 27, 1953 (18 F.R. 2489); and Reorganization Plan No. 26 of 1950 (15 F.R. 4935, 64 Stat. 1280), the following rules relating to the security program of the Department are hereby prescribed:

Section 1. Definitions.--The following terms shall have the meanings specified:

(a) "Department" means the Department of the Treasury.

(b) "Secretary" means the Secretary of the Treasury or his designee.

(c) "Security Officer" means the person designated as Personnel Security Officer of the Department, or the person designated as his alternate, by the Secretary.

(d) "Legal Officer" means the person designated as Legal Officer, or the person designated as his alternate, by the General Counsel of the Department.

(e) "Head of the bureau" means the head of the bureau, independent office, or independent division of the Department in which the employee is employed.

(f) "Employee" means a civilian officer or employee of the Department.

(g) "National security" means the protection and preservation of the military, economic, and productive strength of the United States, including the security of the Government in domestic and foreign affairs, against or from espionage, sabotage, and subversion, and any and all other illegal acts designed to weaken or destroy the United States.

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[1] This order supersedes Order No. 82, Revised August 11, 1952.

(h) "Suspension" means the temporary removal of an employee, without pay, in the interest of the national security, pending final determination of his case under the provisions of this order.

(i) "Reassignment" means the temporary alteration in, or limitation of, the duties of an employee, in the interest of the national security, in lieu of suspension, pending final determination of his case under the provisions of this order.

(j) "Sensitive position" means any position in the Department the occupant of which may have access to security information or material classified as "secret" or "top secret."

Sec. 2. Policy.--It shall be the policy of the Department, based on the act of August 26, 1950, and Executive Order No. 10450, to employ and retain in employment only those persons whose employment or retention in employment is found to be clearly consistent with the interests of the national security. However, the provisions of this order shall not be utilized to the exclusion of normal personnel procedures for the selection and retention of employees.

Section 3. Security standards.--(a) No person shall be employed, or retained as an employee, in the Department unless the employment of such person is clearly consistent with the interests of the national security.

(b) Information regarding an applicant for employment, or an employee, in the Department which may preclude a finding that his employment or retention in employment is clearly consistent with the interests of the national security shall relate, but shall not be limited, to the following:

(1) Depending on the relation of the Government employment to the national security:

(i) Any behavior, activities, or associations which tend to show that the individual is not reliable or trustworthy.

(ii) Any deliberate misrepresentations, falsifications, or omissions of material facts.

(iii) Any criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, habitual use of intoxicants to excess, drug addiction, or sexual perversion.

(iv) An adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure.

(v) Any facts which furnish reason to believe that the individual may be subjected to coercion, influence, or pressure which may cause him to act contrary to the best interests of the national security.

(2) Commission of any act of sabotage, espionage, treason, or sedition, or attempts thereat or preparation therefor, or conspiring with, or aiding or abetting, another to commit or attempt to commit any act of sabotage, espionage, treason, or sedition.

(3) Establishing or continuing a sympathetic association with a saboteur, spy, traitor, seditionist, anarchist, or revolutionist, or with an espionage or other secret agent or representative of a foreign nation, or any representative of a foreign nation whose interests may be inimical to the interests of the United States, or with any person who advocates the use of force or violence to overthrow the Government of the United States or the alteration of the form of government of the United States by unconstitutional means.

(4) Advocacy of use of force or violence to overthrow the Government of the United States, or of the alteration of the form of government of the United States by unconstitutional means.

(5) Membership in, or affiliation or sympathetic association with, any foreign or domestic organization, association, movement, group, or combination of persons which is totalitarian, Fascist. Communist, or subversive, or which has adopted, or shows, a policy of advocating or approving the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States by unconstitutional means.

(6) Intentional, unauthorized disclosure to any person of security information, or willful violation or disregard of security regulations.

(7) Performing or attempting to perform his duties, or otherwise acting, so as to serve the interests of another government in preference to the interests of the United States.

Section 4. Security investigations.--(a) Security investigations conducted pursuant to this order shall be designed to develop information as to whether employment or retention in employment by the Department of the person being investigated is clearly consistent with the interests of the national security. In developing investigations, special significance shall be placed on the factors enumerated in section 3 of this order as they reflect favorably or unfavorably on the individual under investigation.

(b) Every appointment made within the Department shall be made subject to investigation. The scope of the investigation shall be determined in the first instance according to the degree of adverse effect the occupant of the position sought to be filled could bring about, by virtue of the nature of the position, on the national security, but in no event shall the investigation include less than a national agency check (including a check of the fingerprint files of the Federal Bureau of Investigation) and written inquiries to appropriate local law-enforcement agencies, former employers and supervisors, references, and schools and colleges attended by the person under investigation: Provided, That to the extent authorized by the Civil Service Commission a less investigation may suffice with respect to per-diem, intermittent, temporary, or seasonal employees, or aliens employed outside the United States. Should information develop at any stage of investigation indicating that the employment of any such person may not be clearly consistent with the interests of the national security, there shall be conducted with respect to such person a full field investigation, or such less investigation as shall be sufficient to enable the Secretary to determine whether retention of such person is clearly consistent with the interests of the national security.

(c) No sensitive position in the Department shall be filled or occupied by any person with respect to whom a full field investigation has not been conducted: Provided, That a person occupying a sensitive position at the time it is designated as such may continue to occupy such position pending the completion of a full field investigation, subject to the other provisions of this order: And provided further, that in case of emergency a sensitive position may be filled for a limited period of time by a person with respect to whom a full field preappointment investigation has not been completed if the Secretary finds that such action is necessary in the national interest. Such finding shall be made a part of the personnel record of the person concerned.

(d) Whenever a security investigation being conducted with respect to an employee of the Department develops information relating to any of the matters described in subdivisions 2 through 7 of subsection (b) of section 3 of this order, or indicates that an employee has been subject to coercion, influence, or pressure to act contrary to the interests of the national security, the matter shall be referred to the Federal Bureau of Investigation for a full field investigation.

(e) The results of all full field investigations conducted for sensitive positions and all other investigations developing unfavorable information of a nature outlined in section 3 of this order shall be forwarded to the Security Officer for processing, pursuant to section 5 of this order, and retention.

Section 5. Suspension and termination.--(a) The authority conferred by the act of August 26, 1950 (64 Stat. 476), upon the heads of departments and agencies to which such act is applicable to suspend civilian employees, without pay, when deemed necessary in the interests of the national security is hereby delegated with respect to employees of the Department to the head of the bureau, and the authority to order suspension is hereby delegated to the Security Officer.

(b) Upon the receipt of an investigative report pursuant to section 4(e), the Security Officer and the Legal Officer shall immediately evaluate the report and make a determination as to what action may be required in the interests of the national security. Factors to be taken into consideration in making this determination shall include, but shall not be limited to, (1) the seriousness of any derogatory information contained in the report, (2) the quality or quantity of the security information or material to which

the employee may have access, authorized or unauthorized, and (3) the opportunity, by reason of the nature of the position, for committing acts adversely affecting the national security.

(c) One of the four following actions shall be taken in each case: (1) A written determination that the employment or retention in employment of the subject of the report is clearly consistent with the interests of the national security; (2) a written determination that suspension of an incumbent is necessary in the interests of the national security; (3) a written determination that an incumbent shall be temporarily transferred to a position in which he cannot adversely affect the interests of the national security; (4) a written determination that the employment of an applicant is not clearly consistent with the interests of the national security.

(d) If, upon the evaluation specified in subsection (b) of this section, the Security Officer and the Legal Officer deem suspension or transfer to another position necessary in the interests of the national security, the Security Officer shall so notify the head of the bureau, who shall suspend or reassign the employee forthwith in accordance with the procedure specified in subsection (f) or (g) of this section. In such cases as the Security Officer and the Legal Officer deem it advisable, the head of the bureau shall be called into consultation and the action indicated by majority vote shall be taken.

(e) In cases where the suspension or reassignment of an employee is deemed necessary in the interests of the national security, the Security Officer and the Legal Officer shall prepare a bill of particulars. The bill of particulars shall be as specific and detailed as security considerations permit, and normally shall contain all the derogatory information relating to the employee except that which will reveal the source of the information or the identity of confidential informants or which will reveal security information. It shall be subject to amendment within 30 days of issuance.

(f) If the suspended or reassigned employee (i) is a citizen of the United States AND (ii) has a permanent or indefinite appointment AND (iii) has completed his probationary or trial period, the following procedure shall be carried out:

(1) The head of the bureau shall notify the employee in writing of the reasons for his suspension or reassignment, attaching to such notice a copy of the bill of particulars referred to in subsection (e) of this section and a copy of this order. Such notice shall be sent by registered mail with return receipt required or delivered in person against receipt.

(2) The employee may submit to the Legal Officer, within 30 days after the receipt of the notice of reasons for his suspension or reassignment and the bill of particulars, or within 30 days after any amendment thereof, statements and affidavits refuting or explaining the stated reasons for suspension or reassignment and the allegations in the bill of particulars. Such statement and affidavits shall be considered by the Legal Officer for sufficiency. If the Legal Officer considers the statements and supporting documents deficient, he shall take whatever steps he deems necessary to afford the employee an opportunity to correct such deficiency. If the employee does not reply within the 30-day period allowed by this subsection, or does reply but does not request a hearing, the Security Officer and the Legal Officer shall consider the case on the basis of the complete record and submit to the Secretary their recommendations for its disposition together with the reasons therefor.

(3) If the employee so requests in his answer submitted pursuant to subdivision (2) of this subsection, a hearing shall be given before a hearing board composed of three impartial, disinterested persons selected in accordance with the procedures set forth in section 6 of this order. The hearing shall be conducted in accordance with the procedures set forth in section 7 of this order.

(4) After a hearing has been held pursuant to subdivision (3) of this subsection, the Security Officer and the Legal Officer shall review the complete record in the case and make recommendations to the Secretary for its disposition.

(g) If the suspended or reassigned employee does not meet the three requirements of subsection (f) of this section, the following procedure shall be carried out:

(1) The head of the bureau shall notify the employee in writing of the reasons for his suspension or reassignment, attaching to such notice a copy of the bill of particulars referred to in subsection (e) of this section and a copy of this order. Such notice shall be sent by registered mail with return receipt required or delivered in person against receipt.

(2) The employee may submit to the Legal Officer, within 30 days after the receipt of the notice of reasons for his suspension or reassignment and the bill of particulars, or within 30 days after any amendment thereof, statements and affidavits refuting or explaining the stated reasons for suspension or reassignment and the allegations in the bill of particulars. Such statements and affidavits shall be considered by the Legal Officer for sufficiency. If the Legal Officer considers the statements and affidavits deficient, he shall take whatever steps he deems necessary to afford the employee an opportunity to correct such deficiency. The Security Officer and the Legal Officer shall consider the case on the basis of the complete record and submit to the Secretary their recommendations for its disposition together with the reasons therefor.

(h) After the receipt of the complete file (including all confidential information considered by the hearing board) of a case processed pursuant to subsection (f) or (g) of this section, the Secretary will take one of the following actions:

(1) If he finds that reinstatement of the employee to the position from which the employee has been suspended or reassigned is clearly consistent with the interests of the national security, he will cause the employee to be restored to duty in such position and the employee shall be compensated for any period of suspension to the extent permitted by law: Provided, That the employee shall not be compensated for any extension of the period of suspension caused by his voluntary action.

(2) If he does not find that reinstatement of the employee to the position from which the employee has been suspended or reassigned will be clearly consistent with the interests of the national security, but that the transfer of the employee to another position in the Department is clearly consistent with the interests of the national security, he will cause the employee to be transferred to duty in such other position, and to be compensated for any period of suspension to the extent permitted by law: Provided, That the employee shall not be compensated for any extension of the period of suspension caused by his voluntary action.

(3) If he does not find that the reinstatement or transfer of the employee to any position in the Department is clearly consistent with the interests of the national security, he will cause the employment of the employee to be terminated.

(i) The action of the Secretary under this section is final, and the head of the bureau shall furnish to the employee a written notice of such action.

(j) A copy of all notices of personnel actions taken in security cases shall be forwarded to the Security Officer.

Section 6. Security hearing boards.--(a) Security hearing boards of the Department shall be composed of three civilian officers or employees of the Federal Government, other than officers or employees of the Treasury Department, selected by the Legal Officer from rosters maintained for that purpose by the Civil Service Commission in Washington, D.C., and at regional offices of the Commission.

(b) No person shall serve as a member of a security hearing board hearing the case of an employee with whom he is acquainted.

(c) The employee shall have the privilege, for good cause shown, of challenging any member of a board. Challenges for cause shall be determined by the Legal Officer. In addition to the right of challenge for cause, the employee shall have one peremptory challenge.

(d) The Legal Officer shall advise the employee of his rights under subsection (c) of section 7 of this order.

(e) The time and place of hearings before security hearing boards shall be determined by the Legal Officer, with due regard to the availability and convenience of the employee and the members of the board, and the Legal Officer shall make all necessary arrangements for hearings including availability of competent stenographic assistance.

(f) Competent stenographic assistance will be supplied to the hearing boards by the Office of the Secretary, at the request of the Legal Officer.

Section 7. Hearing procedure.--(a) One member of the hearing board will be designated as Chairman, and the member so designated shall preside at the hearing.

(b) The Legal Officer shall assure that both the interests of the Government and the interests of the employee are protected, and shall assist the board in matters of procedure.

(c) The hearing board shall take whatever action is necessary to assure the employee of a full and fair consideration of his case. The employee shall be informed by the board of his right (1) to participate in the hearing, (2) to be represented by counsel of his choice, (3) to present witnesses and offer other evidence in his own behalf and in refutation of the charges brought against him, and (4) to cross-examine any witness offered in support of the charges.

(d) All hearings shall be held in executive session, and witnesses shall be present in the hearing room only when giving testimony. The employee and his counsel shall be present at all times during the hearing. Testimony before the hearing board shall be given under oath or affirmation, administered by the Legal Officer.

(e) A complete verbatim stenographic transcript shall be made of the hearing by qualified reporters, and the transcript shall constitute a permanent part of the record. Upon request, the employee or his counsel shall be furnished a copy of the transcript of the hearing, which transcript shall contain only the notice of the reasons for the suspension of the employee and the bill of particulars, the statements and affidavits submitted by the employee in answer thereto, and the evidence actually taken at the hearing.

(f) The hearing board shall conduct the hearing proceedings in such manner as to protect from disclosure information affecting the national security or tending to disclose or compromise investigative sources or methods.

(g) The hearing board may, in its discretion, invite any person to appear at the hearing and testify. However, the board shall not be bound by the testimony of such witness by reason of having called him, and shall have full right to cross-examine him.

(h) The Security Officer shall present the Department's case to the hearing board.

(i) After such preliminaries as may be necessary, the hearings shall continue with the reading of the notice of the reasons for the suspension or reassignment of the employee and the bill of particulars, and the statements and affidavits submitted by the employee in answer thereto. The reading of any or all of such documents may be dispensed with by mutual agreement of the employee and the Security Officer, provided that in the opinion of the Legal Officer neither the interests of the employee nor the interests of the Government would thereby be jeopardized; but all such documents shall be made a part of the transcript of the hearing.

(j) Both the Department and the employee may introduce such evidence as the hearing board may deem proper in the particular case. Rules of evidence shall not be binding on the board, but reasonable restrictions shall be imposed as to the relevancy, competency, and materiality of matters considered, so that the hearings shall not be unduly prolonged. If the employee is, or may be handicapped by the nondisclosure to him of confidential information or by lack of opportunity to cross-examine confidential informants, the hearing board shall take that fact into consideration. If a person who has made charges against the employee and who is not a confidential informant is called as a witness but does not appear, his failure to appear shall be considered by the board in evaluating such charges, as well as the fact that there is no provision for payment of travel expenses of witnesses.

(k) The employee or his counsel shall have the right to control the sequence of their witnesses. The employee or his counsel shall be permitted reasonable cross-examination of witnesses invited by the hearing board; and the board, the Security Officer and the Legal Officer shall be permitted reasonable cross-examination of witnesses called by the employee.

(l) The hearing board shall give due consideration to documentary evidence developed by investigation, including party membership cards, petitions bearing the

employee's signature, books, treatises, or articles written by the employee, and testimony by the employee before duly constituted authorities. The fact that such evidence has been considered shall be made a part of the transcript of the hearing.

(m) The board shall reach its conclusions and base its determination on the transcript of the hearing, together with such confidential information as it may have in its possession. The board, in making its determination, shall take into consideration the inability of the employee to meet charges of which he has not been advised, because of security reasons, specifically or in detail, or to attack the credibility of witnesses who do not appear. Upon the completion of the hearing, the board shall submit its written recommendations and the reasons therefor to the Secretary, without further dissemination.

Section 8. Readjudication of certain cases.--The Security Officer shall review all cases of employees of the Department with respect to whom there has been conducted a full field investigation under Executive Order 9835, approved March 21, 1947, as amended. After such further investigation as the Security Officer may deem appropriate, all such cases shall be readjudicated in accordance with the act of August 26, 1950, and this order, irrespective of whether the employee occupies a sensitive position.

Section 9. Reemployment of employees whose employment has been terminated.--No person whose employment has been terminated by the Treasury Department under or pursuant to the provisions of the act of August 26, 1950, or pursuant to Executive Order No. 9835, as amended, or any other security or loyalty program, shall be employed in the Treasury Department; and no person whose employment has been so terminated by any other department or agency shall be employed in the Treasury Department, unless the Secretary finds that such employment is clearly consistent with the interests of the national security and unless the Civil Service Commission determines that such person is eligible for such employment. The finding of the Secretary and the determination of the Civil Service Commission shall be made a part of the personnel record of the person concerned.

Section 10. Nominations to security hearing board roster.--(a) The Security Officer, after such consultation with bureau officials as he may deem necessary, shall name five employees of the Department to the security hearing board roster maintained in Washington, D. C., by the Civil Service Commission.

(b) The head of each field office outside the metropolitan area of Washington, D.C., upon the request of the Security Officer, shall nominate one employee for each 500 employees in such field office to security hearing board rosters maintained at regional offices of the Civil Service Commission. The Security Officer shall name employees to such rosters from the persons so nominated.

(c) Employees nominated to security hearing board rosters maintained by the Civil Service Commission, both in and outside of Washington, D. C., shall be persons of responsibility, unquestioned integrity, and sound judgment. Each such nominee shall have been the subject of a full field investigation, and his nomination shall be determined by the Security Officer to be clearly consistent with the interests of the national security. No security officer or person who conducts personnel investigations, shall be nominated to security hearing board rosters.

Section 11. Rescission of clearances.--Any clearance granted pursuant to this order will be rescinded should information subsequently be received which indicates that the retention of the employee is no longer clearly consistent with the interests of the national security, as determined pursuant to the procedural provisions of this order.

Section 12. Procedural instructions.--The Security Officer is authorized to issue such procedural instructions as may be necessary to carry out the provisions of this order.

G. M. Humphrey,
Secretary of the Treasury.

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No. 82, Revised-Amendment 1, November 2, 1953

In accordance with Executive Order No. 10491, October 13, 1953, which amended Executive Order No. 10450, April 27, 1953, Treasury Department Order No. 82 (Revised September 22, 1953) is hereby amended by adding the following subparagraph at the end of Section 3 thereof.

(8) Refusal by the individual, upon the ground of constitutional privilege against self-incrimination, to testify before a congressional committee regarding charges of his alleged disloyalty or other misconduct.

H. Chapman Rose,
Acting Secretary of the Treasury.

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No. 82, Revised-Amendment 2, February 5, 1954

Pursuant to the authority contained in the act of August 26, 1950 (64 Stat. 476, c. 803); Executive Order No. 10450, approved April 27, 1953 (18 F.R. 2489), as amended by Executive Order No. 10491, approved October 13, 1953 (18 F.R. 6583); and Reorganization Plan No. 26 of 1950 (15 F.R. 4935, 64 Stat. 1280), Treasury Department Order No. 82, Revised (September 22, 1953), as amended, is amended as follows:

Section 1 (b) is amended to read as follows:

(b) "Secretary" means the Secretary of the Treasury.

Section 1 (i) is amended to read as follows (new material is indicated by underlining):

(i) "Reassignment" means the temporary alteration in, or limitation of, the duties of an employee, in the interest of the national security, pending final determination of his case under the provisions of this order. Although reassignment does not necessarily entail physical relocation, appropriate steps must be taken to prevent the employee's having access to all categories of classified information or material, pending final determination. No termination following reassignment shall be effected without prior suspension and full compliance thereafter with the procedures applicable to suspension which are set forth in this order.

Section 1 (j) is amended to read as follows (new material is indicated by underlining):

(j) "Sensitive position" means any position in the Department, the occupant of which could bring about, because of the nature of the position, a material adverse effect on the national security. Such positions shall include, but shall not be limited to, any position the occupant of which may have access to information or material classified as "secret" or "top secret" and may have opportunity to commit acts directly or indirectly adversely affecting the national security.

Section 5 (c)(3) is amended to read as follows (new material is indicated by underlining):

(3) A written determination that reassignment of an incumbent is necessary in the interests of the national security;

Section 5 (d) is amended to read as follows (new material is indicated by underlining):

(d) If, upon the evaluation specified in subsection (b) of this section, the Security Officer and the Legal Officer deem suspension or reassignment necessary in the interests of the national security, the Security Officer shall so notify the head of the bureau, who shall suspend or reassign the employee forthwith in accordance with the procedure specified in subsection (f) or (g) of this section. In such cases as the Security Officer and the Legal Officer deem it advisable, the head of the bureau shall be called into consultation and the action indicated by majority vote shall be taken.

Section 5 (f) is amended to read as follows (new material is indicated by underlining):

(f) If the suspended or reassigned employee (i) is a citizen of the United States AND (ii) has a permanent or indefinite appointment AND (iii) has completed his probationary or trial period, the following procedure shall be carried out:

(1) The head of the bureau shall notify the employee in writing of the reasons for his suspension or reassignment, attaching to such notice a copy of the bill of par-

ticulars referred to in subsection (e) of this section and a copy of this order. Such notice shall be sent by registered mail with return receipt required or delivered in person against receipt.

(2) (A) An employee who has been suspended may submit to the Legal Officer, within 30 days after the receipt of the notice of reasons for his suspension and the bill of particulars, or within 30 days after any amendment thereof, statements and affidavits (in duplicate) refuting or explaining the stated reasons for suspension and the allegations in the bill of particulars. Such statements and affidavits shall be considered by the Legal Officer for sufficiency. If the Legal Officer considers the statements and supporting documents deficient, he shall take whatever steps he deems necessary to afford the employee an opportunity to correct such deficiency. If the employee does not reply within the 30-day period allowed by this subsection, or does reply but does not request a hearing, the Security Officer and the Legal Officer shall consider the case on the basis of the complete record and submit to the Secretary their recommendations for its disposition together with the reasons therefor.

(B) An employee who has been reassigned may submit to the Legal Officer, within 30 days after the receipt of the notice of reasons for his reassignment and the bill of particulars, or within 30 days after any amendment thereof, statements and affidavits (in duplicate) refuting or explaining the stated reasons for reassignment and the allegations in the bill of particulars. If the Security Officer and the Legal Officer are then of the opinion that the case should be resolved favorably to the employee, they shall so recommend to the Secretary. Unless the case is resolved favorably to the employee at this point, the Security Officer shall order the head of the bureau to suspend the employee forthwith. Thereafter, the procedure applicable to suspensions shall be followed.

(3) If the employee so requests in his answer submitted pursuant to paragraph (A) of subdivision (2) of this subsection, a hearing shall be given before a hearing board composed of three impartial, disinterested persons selected in accordance with the procedures set forth in section 6 of this order. The hearing shall be conducted in accordance with the procedures set forth in section 7 of this order.

(4) After a hearing has been held pursuant to subdivision (3) of this subsection, the Security Officer and the Legal Officer shall review the complete record in the case and make recommendations to the Secretary for its disposition.

Section 5 (g) is amended to read as follows (new material is indicated by underlining):

(g) If the suspended or reassigned employee does not meet the three requirements of subsection (f) of this section, the following procedure shall be carried out:

(1) The head of the bureau shall notify the employee in writing of the reasons for his suspension or reassignment, attaching to such notice a copy of the bill of particulars referred to in subsection (e) of this section and a copy of this order. Such notice shall be sent by registered mail with return receipt required or delivered in person against receipt.

(2) (A) An employee who has been suspended may submit to the Legal Officer, within 30 days after the receipt of the notice of reasons for his suspension and the bill of particulars, or within 30 days after any amendment thereof, statements and affidavits (in duplicate) refuting or explaining the stated reasons for suspension and the allegations in the bill of particulars. Such statements and affidavits shall be considered by the Legal Officer for sufficiency. If the Legal Officer considers the statements and affidavits deficient, he shall take whatever steps he deems necessary to afford the employee an opportunity to correct such deficiency. The Security Officer and the Legal Officer shall consider the case on the basis of the complete record and submit to the Secretary their recommendations for its disposition together with the reasons therefor.

(B) An employee who has been reassigned may submit to the Legal Officer, within 30 days after the receipt of the notice of reasons for his reassignment and the bill of particulars, or within 30 days after any amendment thereof, statements and affidavits (in duplicate) refuting or explaining the stated reasons for reassignment and the allegations in the bill of particulars. If the Security Officer and the Legal Officer are then of the opinion that the case should be resolved favorably to the employee, they

shall so recommend to the Secretary. Unless the case is resolved favorably to the employee at this point, the Security Officer shall order the head of the bureau to suspend the employee forthwith. Thereafter, the procedure applicable to suspensions shall be followed.

The introductory paragraph of Section 5 (h) is amended to read as follows (new material is indicated by underlining):

(h) After the receipt of the complete file (including all confidential information considered by the hearing board, if any) of a case processed pursuant to subsection (f) or (g) of this section, the Secretary or some official of the Department designated by him will review the file and take one of the following actions: Provided, That only the Secretary will take the action specified in subdivision (3) of this subsection:

Section 7 (i) is amended to read as follows:

(i) After such preliminaries as may be necessary, the hearing shall continue with the reading of the notice of the reasons for the suspension of the employee and the bill of particulars, and the statements and affidavits submitted by the employee in answer thereto. The reading of any or all of such documents may be dispensed with by mutual agreement of the employee and the Security Officer, provided that in the opinion of the Legal Officer neither the interests of the employee nor the interests of the Government would thereby be jeopardized; but all such documents shall be made a part of the transcript of the hearing.

G. M. Humphrey,
Secretary of the Treasury.

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## NO. 83, REVISED, DESIGNATIONS RELATING TO PERSONNEL SECURITY OFFICER AND SECURITY OFFICER

No. 83, Revised September 29, 1953

Pursuant to the provisions of Executive Order No. 10450 and of Treasury Department Order No. 82 (Revised), Mr. Elbert P. Tuttle, General Counsel, is hereby designated as Acting Personnel Security Officer for the Treasury Department. Commander Virgil E. Howard, U.S.C.G.R., shall serve as Assistant Personnel Security Officer and Mr. Richard L. Hirshberg shall serve as Legal Officer for the Personnel Security Program.

All officers and employees of the Treasury Department are directed to comply with requests for information received from the Acting Personnel Security Officer and his representatives and to cooperate with them to the fullest possible extent.

This order supersedes Treasury Department Order No. 83 (Revised), dated July 18, 1951.

G. M. Humphrey,
Secretary of the Treasury.

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No. 83, Revised December 14, 1953

Pursuant to the provisions of Executive Orders No. 10450 and 10501 and of Treasury Department Orders No. 82, Revised, and 160, Revised, Mr. Elbert P. Tuttle, General Counsel, is hereby designated as Acting Security Officer and Acting Personnel Security Officer for the Treasury Department. Commander Virgil E. Howard, U.S.C.G.R., shall serve as Alternate Security Officer and Alternate Personnel Security Officer. Mr. Richard L. Hirshberg shall serve as Legal Officer for the Security and Personnel Security Programs.

All officers and employees of the Treasury Department are directed to comply with requests for information received from the persons designated above and to cooperate with them to the fullest possible extent.

This order supersedes Treasury Department Order No. 83 (Revised), dated September 29, 1953.

M. B. Folsom,
Acting Secretary of the Treasury.

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No. 83, Revised April 8, 1954

Pursuant to the provisions of Executive Orders No. 10450 and 10501 and of Treasury Department Orders No. 82, Revised, and 160, Revised, Mr. Clarence O. Tormoen, Assistant to the Secretary, is hereby designated as Security Officer and Personnel Security Officer for the Treasury Department. Mr. Virgil E. Howard shall serve as Alternate Security Officer and Alternate Personnel Security Officer. Mr. Richard L. Hirshberg shall serve as Legal Officer for the Security and Personnel Security Programs.

All officers and employees of the Treasury Department are directed to comply with requests for information received from the persons designated above and to cooperate with them to the fullest possible extent.

This order supersedes Treasury Department Order No. 83 (Revised), dated December 14, 1953.

G. M. Humphrey,
Secretary of the Treasury.

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NO. 120, AMENDMENTS 3 TO 5, DESIGNATION OF CERTAIN ACTING CUSTOMS OFFICERS

No. 120, Amendment 3, September 1, 1953

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, and as an amendment of Treasury Department Order No. 120, dated July 31, 1950, I hereby provide that Mr. Emerson L. Sunstrom, Fiscal Officer (Acting Assistant Comptroller), Office of Comptroller of Customs, Baltimore, Maryland, is authorized to perform all the functions of the Comptroller of Customs, Baltimore, Maryland. In the performance of these functions Mr. Sunstrom is authorized to designate himself as Acting Comptroller of Customs.

This amendment of Treasury Department Order No. 120 shall be effective September 1, 1953, and shall remain in effect until terminated by subsequent order.

M. B. Folsom,
Acting Secretary of the Treasury.

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No. 120, Amendment 4, November 27, 1953

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, and as an amendment of Treasury Department Order No. 120, dated July 31, 1950, I hereby provide that Mr. Charles M. Ebert, Customs Liquidator (Acting Assistant Comptroller), Office of Comptroller of Customs, Chicago, Illinois, is authorized to perform all the functions of the Comptroller of Customs, Chicago, Illinois. In the performance of these functions Mr. Ebert is authorized to designate himself as Acting Comptroller of Customs.

This amendment of Treasury Department Order No. 120 shall be effective December 1, 1953, and shall remain in effect until terminated by subsequent order.

H. Chapman Rose,
Acting Secretary of the Treasury.

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No. 120, Amendment 5, June 11, 1954

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, and as an amendment of Treasury Department Order No. 120, dated July 31, 1950, I hereby provide that Mr. Samuel J. Bonds, Deputy Collector of Customs (Acting Assistant Collector), is authorized to perform all the functions of the Collector of Customs for Customs Collection District No. 43, the headquarters of which is located in Memphis, Tennessee. In the performance of these functions Mr. Bonds is authorized to designate himself as Acting Collector of Customs and shall open, effective June 16, 1954, a new set of accounts separate from those of Collector Waldauer.

This amendment of Treasury Department Order No. 120 shall be effective June 16, 1954, and shall remain in effect until terminated by subsequent order.

H. Chapman Rose,
Acting Secretary of the Treasury.

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NO. 129, REVISED MARCH 15, 1954, ORDER OF SUCCESSION FOR TREASURY DEPARTMENT OFFICERS--BUREAU OF CUSTOMS

Under authority conferred upon me by section 161 of the Revised Statutes (5 U.S.C. 22) and Reorganization Plan No. 26 of 1950, it is hereby ordered as follows:

PARAGRAPH "C"--BUREAU OF CUSTOMS

The following officers of Customs, in the order of succession enumerated, shall act as Commissioner of Customs during the absence or disability of the Commissioner of Customs, or when there is a vacancy in such office:

1. Assistant Commissioner of Customs
2. Deputy Commissioner of Customs for Investigations
3. Deputy Commissioner of Customs for Appraisement Administration
4. Deputy Commissioner of Customs for Management and Controls
5. Chief, Division of Classification, Entry, and Value
6. Chief, Division of Drawbacks, Penalties, and Quotas
7. Chief, Division of Marine Administration
8. Collector of Customs, New York, N. Y.
9. Assistant Collector of Customs, New York, N. Y.
10. Collector of Customs, Tampa, Florida
11. Assistant Collector of Customs, Tampa, Florida
12. Collector of Customs, St. Louis, Missouri

This supersedes PARAGRAPH "C"--BUREAU OF CUSTOMS of Treasury Department Order No. 129, Revised, dated December 11, 1952.

H. Chapman Rose,
Acting Secretary of the Treasury.

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## NO. 140 REVISED MAY 5, 1954, DELEGATION OF AUTHORITY WITH REGARD TO THE DESIGNATION OF OFFICERS AND EMPLOYEES TO CERTIFY VOUCHERS TO DISBURSING OFFICERS[1]

By virtue of the authority vested in me by Section 2 of Reorganization Plan No. 26 of 1950, there is hereby delegated to the heads and acting heads of the bureaus and offices of the Treasury Department the authority vested in the Secretary of the Treasury by Sections 1 and 2 of the act of December 29, 1941, as amended (U.S.C., Title 31, Secs. 82b and 82c) to designate, in writing, officers and employees to certify vouchers to disbursing officers for payment from funds under their respective jurisdiction, to revoke the designations of officers and employees to certify such vouchers, and to require designated officers and employees to give bond to the United States in amounts consistent with the provisions of Section 3 of Treasury Department Circular No. 680, dated February 16, 1942, as amended.

The authority delegated above may be redelegated by the head or acting head of a bureau or office to such responsible subordinate officials thereof as he may consider necessary, and, if so desired, to persons performing the duties of such subordinate officials in their absence.

M. B. Folsom,
Acting Secretary of the Treasury.

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## NOS. 150-13 REVISED AND 150-28 TO 150-35, RELATING TO REORGANIZATION AND OTHER MATTERS AFFECTING THE INTERNAL REVENUE SERVICE

### No. 150-13, Revised July 3, 1953

By virtue of the authority vested in me as Secretary of the Treasury, it is hereby ordered:

1. The last sentence of Treasury Department Order No. 150-13, dated October 26, 1952, as amended December 4, 1952, is further amended to read as follows:

"The headquarters of such office shall be located in Seattle, Washington, and the office shall have the title of District Director of Internal Revenue, Seattle."

2. This order shall be effective July 6, 1953.

M. B. Folsom,
Acting Secretary of the Treasury.

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### No. 150-28, July 6, 1953

The Commissioner of Internal Revenue is authorized to delegate to officers or employees of the Bureau of Internal Revenue, including the field service, authority to certify all lists of assessments of internal revenue taxes and to authorize such officers or employees to delegate any such function to any other officer or employee under their general supervision and control.

This order shall be effective July 1, 1953.

M. B. Folsom,
Acting Secretary of the Treasury.

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[1] This order supersedes Treasury Department Order No. 140, Revised February 21, 1952.

No. 150-29, July 9, 1953

By virtue of the authority vested in me as Secretary of the Treasury, it is hereby ordered that:

1. The Bureau of Internal Revenue shall hereafter be known as the Internal Revenue Service.

2. All regulations, mimeographs, forms, and other Internal Revenue and Treasury documents are amended to conform to this order, but existing supplies of these materials shall continue to be used without change until they are exhausted.

G. M. Humphrey,
Secretary of the Treasury.

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No. 150-30, October 28, 1953

By virtue of the authority vested in me as Secretary of the Treasury, including that conferred by Section 2(a)(3) of Reorganization Plan No. 1 of 1952, the following changes are hereby made in the National Office of the Internal Revenue Service:

1. Abolition of division. The Field Management and Planning Division, including the office of head thereof, is abolished.

2. Establishment of new division. The Fiscal Management Division, including the office of head thereof, is established.

3. Change of name of division. The name of the Technical Rulings Division is changed to Tax Rulings Division.

4. Effective date. Paragraphs 1 and 2 shall be effective as of July 1, 1953. Paragraph 3 shall be effective on the date of approval of this order.

M. B. Folsom,
Acting Secretary of the Treasury.

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No. 150-31, November 13, 1953

Pursuant to the authority vested in me as Secretary of the Treasury, it is hereby ordered:

1. The Director of the Bureau of Engraving and Printing shall distribute to the District Directors of Internal Revenue all stamps pertaining to internal revenue taxes, and to the Postmaster General documentary stamps pertaining to internal revenue taxes, printed by or under the supervision of the Bureau of Engraving and Printing, upon requisition by such District Directors and the Postmaster General, in accordance with Sections 3901 (a)(2) and 1817 (a) of the Internal Revenue Code.

2. Orders for stamps heretofore made upon the Director of the Bureau of Engraving and Printing on behalf of the Commissioner of Internal Revenue shall be made upon the Director of the Bureau of Engraving and Printing by the District Directors of Internal Revenue and by the Postmaster General, under rules prescribed by the Commissioner of Internal Revenue.

3. The function heretofore exercised by the Destruction Committee of the Treasury Department, respecting the destruction of internal revenue stamps returned uncanceled to the Commissioner of Internal Revenue, by District Directors of Internal Revenue, pursuant to Section 3950 (b)(2) of the Internal Revenue Code, shall be performed by such officers or employees of the Internal Revenue Service as may be designated by the Commissioner of Internal Revenue, under rules prescribed by him.

M. B. Folsom,
Acting Secretary of the Treasury.

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No. 150-32, November 18, 1953

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, there are hereby transferred to the Commissioner of Internal Revenue all the functions of the Secretary of the Treasury, the Under Secretary of the Treasury, or any Assistant Secretary of the Treasury with respect to closing agreements under Section 3760 of the Internal Revenue Code.

This order continues the delegation made by Treasury Department Order No. 146, dated December 20, 1951, which is hereby superseded.

The functions herein transferred may be delegated by the Commissioner to subordinates in the Internal Revenue Service in such manner as he shall from time to time direct.

G. M. Humphrey,
Secretary of the Treasury.

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No. 150-33, November 27, 1953

By virtue of the authority vested in me as Secretary of the Treasury, it is hereby ordered:

1. The Commissioner of Internal Revenue is authorized to perform the functions vested in the Secretary of the Treasury by Public Law 274 (83d Congress), approved August 14, 1953, to abate jeopardy assessments if he finds that jeopardy does not exist.

2. The functions herein transferred may be delegated by the Commissioner to such officers or employees in the Internal Revenue Service in such manner as he shall from time to time direct.

M. B. Folsom,
Acting Secretary of the Treasury.

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No. 150-34, March 25, 1954

Pursuant to the authority vested in me as Secretary of the Treasury, it is hereby ordered:

1. In accordance with the provisions of Section 119 of the Accounting and Auditing Act of 1950, approved September 12, 1950, the Commissioner of Internal Revenue is authorized to delegate to officers and employees of the Internal Revenue Service, wherever situated, authority to approve administratively Revenue Accounts Current (Form 79) and Accounts Current (Standard Form 1019).

2. The certificate of deposit, required by Section 3971(a) of the Internal Revenue Code to be transmitted to the Commissioner of Internal Revenue, shall hereafter be forwarded to such officers or employees of the Internal Revenue Service, wherever situated, as the Commissioner shall designate.

3. The authority delegated by this order shall be exercised in accordance with instructions to be issued by the Commissioner.

4. This order shall be effective this date.

M. B. Folsom,
Acting Secretary of the Treasury.

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No. 150-35, March 25, 1954

By virtue of the authority vested in me as Secretary of the Treasury by Reorganization Plan No. 26 of 1950, there are hereby conferred and imposed upon the Com-

missioner of Internal Revenue the functions of the Secretary of the Treasury prescribed by Sections 463C.32 and 463C.33 (a) of Treasury Decision 4929, approved by the President on August 28, 1939, as amended by Treasury Decision 4991, approved on July 20, 1940 (C.B. 1939-2, 91, C.B. 1940-2, 92; 26 CFR 458.65, 458.66 (a)), with respect to permission to the head of a bureau or office of the Treasury Department, not a part of the Internal Revenue Service, or an employee in such bureau or office, or to the head of an executive department (other than the Treasury Department) or any other establishment in the Executive Branch of the United States Government, or an officer or employee in such department or establishment, to inspect a return made under the Internal Revenue Code to which Treasury Decision 4929, as amended, applies. The functions herein conferred and imposed upon the Commissioner of Internal Revenue may be exercised by any officer or employee of the Internal Revenue Service who is so authorized by the Commissioner, under such rules as may be prescribed by him.

M. B. Folsom,
Acting Secretary of the Treasury.

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NO. 160, REVISED DECEMBER 14, 1953, DELEGATIONS AND INSTRUCTIONS PERTAINING TO CLASSIFIED SECURITY INFORMATION[1]

1. Purpose.--The purpose of this order is to provide delegations and implementing instructions for the administration, in the several bureaus of the Treasury Department, of Executive Order No. 10501, of November 5, 1953, entitled "Safeguarding Official Information in the Interests of the Defense of the United States" (See attached copy). The delegations herein are made pursuant to Reorganization Plan No. 26 of 1950 (3 CFR, 1950 Supp. ch. III).

2. The Coast Guard has previously been authorized to adopt the United States Navy security manual. In recognition of its status as a military service and a branch of the Armed Forces, the Coast Guard is hereby exempted from the operation of this order and charged with following the Navy security manual, subject to such modifications as may be issued in order to adapt it to the needs of the Coast Guard and subject to the security standards established by Executive Order No. 10501.

3. Applicability of Executive Order No. 10501.--(a) Heads of bureaus shall be responsible for complete compliance with the provisions of Executive Order No. 10501 within their bureaus.

(b) All persons in the Treasury Department are subject to the provisions of this Executive order.

(c) All persons whose duties involve the handling of classified defense information shall familiarize themselves with the provisions of the Executive order.

4. Classification categories.--Official information which requires protection in the interests of national defense is limited to three categories of classification, which in descending order of importance shall carry one of the following designations: TOP SECRET, SECRET, or CONFIDENTIAL. Except as expressly provided by statute these designations shall be limited to the classification of material described by the definitions in Section 1 of Executive Order No. 10501, and no different or additional designation shall be used for the classification of such material.

5. Limitation of authority to classify.--(a) The authority for original classification of information or material as TOP SECRET shall be exercised only by the Secretary, the Under Secretary, the Deputy to the Secretary, the Assistant Secretaries, and the General Counsel.

(b) The authority for original classification of information or material as SECRET and CONFIDENTIAL shall be exercised only by those officials specified in subsection (a) of this section, by bureau heads and by those specifically designated by bureau heads

[1] This order supersedes Treasury Department Order No. 160, November 17, 1952.

for this purpose. Bureau heads shall not delegate to any subordinate the authority to make these specific designations. Such designations shall be limited to as few persons as is consistent with the orderly and expeditious transaction of Government business.

6. Declassification, downgrading or upgrading.--(a) All information of Treasury Department origin which has heretofore been marked "RESTRICTED" or "RESTRICTED--SECURITY INFORMATION" is hereby automatically declassified; except that, when bureau heads positively determine, with the concurrence of the originator, that such information requires protection in the interest of national defense, it shall be reclassified as "CONFIDENTIAL."

(b) All information of Treasury Department origin marked "CONFIDENTIAL," "SECRET," or "TOP SECRET," but not marked "SECURITY INFORMATION" is hereby automatically declassified; except that when bureau heads positively determine, with the concurrence of the originator, that such information meets the criteria prescribed in Section 1 of Executive Order No. 10501 for these categories of classification or has been so classified pursuant to an express statutory provision, it shall be classified accordingly. All information originated by other Government departments or agencies marked "RESTRICTED" or "RESTRICTED--SECURITY INFORMATION," or by friendly foreign governments marked "RESTRICTED," shall be temporarily safeguarded as "CONFIDENTIAL," and bureau heads shall ascertain from the classifying authority involved its disposition as to classification or declassification.

(c) Heads of bureaus shall be responsible for establishing a continuing review of classified matter, for the purpose of declassifying or downgrading it whenever national defense considerations permit or of classifying or upgrading it pursuant to Section 4(g) of Executive Order No. 10501, and for receiving requests for such review from all sources. They shall establish formal procedures to provide specific means for prompt review of classified material and its declassification or downgrading in order to preserve the effectiveness and integrity of the classification system and to eliminate accumulation of classified material which no longer requires protection in the defense interest.

7. Loss or subjection to compromise.--Any person in the Treasury Department who has knowledge of the loss or possible subjection to compromise of classified defense information shall promptly report the circumstances to the appropriate bureau head or his designee, who shall take appropriate action forthwith, including advice to the originating department or agency.

8. Accountability and dissemination.--Each bureau head shall prescribe such accountability procedures as are necessary to control effectively the dissemination of classified defense information within his own bureau, and shall designate Top Secret Control Officers, as required, to receive, maintain accountability registers of, and dispatch TOP SECRET material.

9. Transmission.--Each bureau head shall prescribe regulations governing the preparation of classified defense material for transmission, and transmission of it, within his bureau, insuring a degree of security equivalent to that outlined in Section 8 of Executive Order No. 10501.

10. Destruction.--When information which has been classified under the authority of Executive Order No. 10501 is to be destroyed, destruction shall be by burning in the presence of a person or persons specifically designated by the appropriate bureau head. Each bureau head shall cause to be maintained appropriate accountability records for his bureau to reflect the destruction of classified defense material. Carbon paper used in preparing classified defense information, spoiled copies, etc., shall also be destroyed by burning, but no records of such destruction need be kept.

11. Training, orientation and inspection.--Each bureau head shall designate experienced persons to coordinate and supervise the activities applicable to his bureau under this order and Executive Order No. 10501, and to maintain the programs of training, orientation, and inspection specified in Section 10 of the Executive order. The Department Security Officer is hereby authorized to establish adequate and active inspection programs to the end that the provisions of the Executive order are administered effectively throughout the Department.

12. Review.--Each bureau head shall designate a member or members of his staff to conduct a continuing review of the implementation of Executive Order No. 10501 within his bureau, for the purpose specified in Section 18 of said Executive order.

13. Bureau delegation orders and other regulations.--Copies of delegation orders and of all other rules, regulations, and procedures of general applicability issued by the heads of bureaus shall be forwarded to the Department Security Officer.

14. Effective date.--This order shall become effective on December 15, 1953.

M. B. Folsom,
Acting Secretary of the Treasury.

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Executive Order No. 10501, safeguarding official information in the interests of the defense of the United States

Whereas it is essential that the citizens of the United States be informed concerning the activities of their government; and

Whereas the interests of national defense require the preservation of the ability of the United States to protect and defend itself against all hostile or destructive action by covert or overt means, including espionage as well as military action; and

Whereas it is essential that certain official information affecting the national defense be protected uniformly against unauthorized disclosure:

Now, therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States, and deeming such action necessary in the best interests of the national security, it is hereby ordered as follows:

Section 1. Classification categories.--Official information which requires protection in the interests of national defense shall be limited to three categories of classification, which in descending order of importance shall carry one of the following designations: TOP SECRET, SECRET, or CONFIDENTIAL. No other designation shall be used to classify defense information, including military information, as requiring protection in the interests of national defense, except as expressly provided by statute. These categories are defined as follows:

(a) TOP SECRET.--Except as may be expressly provided by statute, the use of the classification TOP SECRET shall be authorized, by appropriate authority, only for defense information or material which requires the highest degree of protection. The TOP SECRET classification shall be applied only to that information or material the defense aspect of which is paramount, and the unauthorized disclosure of which could result in exceptionally grave damage to the Nation such as leading to a definite break in diplomatic relations affecting the defense of the United States, an armed attack against the United States or its allies, a war, or the compromise of military or defense plans, or intelligence operations, or scientific or technological developments vital to the national defense.

(b) SECRET.--Except as may be expressly provided by statute, the use of the classification SECRET shall be authorized, by appropriate authority, only for defense information or material the unauthorized disclosure of which could result in serious damage to the Nation, such as by jeopardizing the international relations of the United States, endangering the effectiveness of a program or policy of vital importance to the national defense, or compromising important military or defense plans, scientific or technological developments important to national defense, or information revealing important intelligence operations.

(c) CONFIDENTIAL.--Except as may be expressly provided by statute, the use of the classification CONFIDENTIAL shall be authorized, by appropriate authority, only for defense information or material the unauthorized disclosure of which could be prejudicial to the defense interests of the Nation.

Section 2. Limitation of authority to classify.--The authority to classify defense information or material under this order shall be limited in the departments and

agencies of the executive branch as hereinafter specified. Departments and agencies subject to the specified limitations shall be designated by the President:

(a) In those departments and agencies having no direct responsibility for national defense there shall be no authority for original classification of information or material under this order.

(b) In those departments and agencies having partial but not primary responsibility for matters pertaining to national defense the authority for original classification of information or material under this order shall be exercised only by the head of the department or agency, without delegation.

(c) In those departments and agencies not affected by the provisions of subsection (a) and (b), above, the authority for original classification of information or material under this order shall be exercised only by responsible officers or employees, who shall be specifically designated for this purpose. Heads of such departments and agencies shall limit the delegation of authority to classify as severely as is consistent with the orderly and expeditious transaction of Government business.

Section 3. Classification.--Persons designated to have authority for original classification of information or material which requires protection in the interests of national defense under this order shall be held responsible for its proper classification in accordance with the definitions of the three categories in section 1, hereof. Unnecessary classification and overclassification shall be scrupulously avoided. The following special rules shall be observed in classification of defense information or material:

(a) Documents in general.--Documents shall be classified according to their own content and not necessarily according to their relationship to other documents. References to classified material which do not reveal classified defense information shall not be classified.

(b) Physically connected documents.--The classification of a file or group of physically connected documents shall be at least as high as that of the most highly classified document therein. Documents separated from the file or group shall be handled in accordance with their individual defense classification.

(c) Multiple classification.--A document, product, or substance shall bear a classification at least as high as that of its highest classified component. The document, product, or substance shall bear only one overall classification, notwithstanding that pages, paragraphs, sections, or components thereof bear different classifications.

(d) Transmittal letters.--A letter transmitting defense information shall be classified at least as high as its highest classified enclosure.

(e) Information originated by a foreign government or organization.--Defense information of a classified nature furnished to the United States by a foreign government or international organization shall be assigned a classification which will assure a degree of protection equivalent to or greater than that required by the government or international organization which furnished the information.

Section 4. Declassification, downgrading, or upgrading.--Heads of departments or agencies originating classified material shall designate persons to be responsible for continuing review of such classified material for the purpose of declassifying or downgrading it whenever national defense considerations permit, and for receiving requests for such review from all sources. Formal procedures shall be established to provide specific means for prompt review of classified material and its declassification or downgrading in order to preserve the effectiveness and integrity of the classification system and to eliminate accumulation of classified material which no longer requires protection in the defense interest. The following special rules shall be observed with respect to changes of classification of defense material:

(a) Automatic changes.--To the fullest extent practicable, the classifying authority shall indicate on the material (except telegrams) at the time of original classification that after a specified event or date, or upon removal of classified enclosures, the material will be downgraded or declassified.

(b) Nonautomatic changes.--The persons designated to receive requests for review of classified material may downgrade or declassify such material when circumstances no longer warrant its retention in its original classification provided the consent of the

appropriate classifying authority has been obtained. The downgrading or declassification of extracts from or paraphrases of classified documents shall also require the consent of the appropriate classifying authority unless the agency making such extracts knows positively that they warrant a classification lower than that of the document from which extracted, or that they are not classified.

(c) Material officially transferred.--In the case of material transferred by or pursuant to statute or Executive order from one department or agency to another for the latter's use and as part of its official files or property, as distinguished from transfers merely for purposes of storage, the receiving department or agency shall be deemed to be the classifying authority for all purposes under this order, including declassification and downgrading.

(d) Material not officially transferred.--When any department or agency has in its possession any classified material which has become five years old, and it appears (1) that such material originated in an agency which has since become defunct and whose files and other property have not been officially transferred to another department or agency within the meaning of subsection (c), above, or (2) that it is impossible for the possessing department or agency to identify the originating agency, and (3) a review of the material indicates that it should be downgraded or declassified, the said possessing department or agency shall have power to declassify or downgrade such material. If it appears probable that another department or agency may have a substantial interest in whether the classification of any particular information should be maintained, the possessing department or agency shall not exercise the power conferred upon it by this subsection, except with the consent of the other department or agency, until thirty days after it has notified such other department or agency of the nature of the material and of its intention to declassify or downgrade the same. During such thirty-day period the other department or agency may, if it so desires, express its objections to declassifying or downgrading the particular material, but the power to make the ultimate decision shall reside in the possessing department or agency.

(e) Classified telegrams.--Such telegrams shall not be referred to, extracted from, paraphrased, downgraded, declassified, or disseminated, except in accordance with special regulations issued by the head of the originating department or agency. Classified telegrams transmitted over cryptographic systems shall be handled in accordance with the regulations of the transmitting department or agency.

(f) Downgrading.--If the recipient of classified material believes that it has been classified too highly, he may make a request to the reviewing official who may downgrade or declassify the material after obtaining the consent of the appropriate classifying authority.

(g) Upgrading.--If the recipient of unclassified material believes that it should be classified, or if the recipient of classified material believes that its classification is not sufficiently protective, it shall be safeguarded in accordance with the classification deemed appropriate and a request made to the reviewing official, who may classify the material or upgrade the classification after obtaining the consent of the appropriate classifying authority.

(h) Notification of change in classification.--The reviewing official taking action to declassify, downgrade, or upgrade classified material shall notify all addressees to whom the material was originally transmitted.

Section 5. Marking of classified material.--After a determination of the proper defense classification to be assigned has been made in accordance with the provisions of this order, the classified material shall be marked as follows:

(a) Bound documents.--The assigned defense classification on bound documents, such as books or pamphlets, the pages of which are permanently and securely fastened together, shall be conspicuously marked or stamped on the outside of the front cover, on the title page, on the first page, on the back page, and on the outside of the back cover. In each case the markings shall be applied to the top and bottom of the page or cover.

(b) Unbound documents.--The assigned defense classification on unbound documents, such as letters, memoranda, reports, telegrams, and other similar documents, the

pages of which are not permanently and securely fastened together, shall be conspicuously marked or stamped at the top and bottom of each page, in such manner that the marking will be clearly visible when the pages are clipped or stapled together.

(c) Charts, maps, and drawings.--Classified charts, maps, and drawings shall carry the defense classification marking under the legend, title block, or scale in such manner that it will be reproduced on all copies made therefrom. Such classification shall also be marked at the top and bottom in each instance.

(d) Photographs, films, and recordings.--Classified photographs, films, and recordings, and their containers, shall be conspicuously and appropriately marked with the assigned defense classification.

(e) Products or substances.--The assigned defense classification shall be conspicuously marked on classified products or substances, if possible, and on their containers, if possible, or, if the article or container cannot be marked, written notification of such classification shall be furnished to recipients of such products or substances.

(f) Reproductions.--All copies or reproductions of classified material shall be appropriately marked or stamped in the same manner as the original thereof.

(g) Unclassified material.--Normally, unclassified material shall not be marked or stamped Unclassified unless it is essential to convey to a recipient of such material that it has been examined specifically with a view to imposing a defense classification and has been determined not to require such classification.

(h) Change or removal of classification.--Whenever classified material is declassified, downgraded, or upgraded, the material shall be marked or stamped in a prominent place to reflect the change in classification, the authority for the action, the date of action, and the identity of the person or unit taking the action. In addition, the old classification marking shall be canceled and the new classification (if any) substituted therefor. Automatic change in classification shall be indicated by the appropriate classifying authority through marking or stamping in a prominent place to reflect information specified in subsection 4 (a) hereof.

(i) Material furnished persons not in the executive branch of the Government.--When classified material affecting the national defense is furnished authorized persons, in or out of Federal service, other than those in the executive branch, the following notation, in addition to the assigned classification marking, shall whenever practicable be placed on the material, on its container, or on the written notification of its assigned classification:

"This material contains information affecting the national defense of the United States within the meaning of the espionage laws, Title 18, U.S.C., Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law."

Use of alternative marking concerning "Restricted Data" as defined by the Atomic Energy Act is authorized when appropriate.

Section 6. Custody and safekeeping.--The possession or use of classified defense information or material shall be limited to locations where facilities for secure storage or protection thereof are available by means of which unauthorized persons are prevented from gaining access thereto. Whenever such information or material is not under the personal supervision of its custodian, whether during or outside of working hours, the following physical or mechanical means shall be taken to protect it:

(a) Storage of TOP SECRET material.--TOP SECRET defense material shall be protected in storage by the most secure facilities possible. Normally it will be stored in a safe or a safe-type steel file container having a three-position, dial-type, combination lock, and being of such weight, size, construction, or installation as to minimize the possibility of surreptitious entry, physical theft, damage by fire, or tampering. The head of a department or agency may approve other storage facilities for this material which offer comparable or better protection, such as an alarmed area, a vault, a secure vault-type room, or an area under close surveillance of an armed guard.

(b) SECRET and CONFIDENTIAL material.--These categories of defense material may be stored in a manner authorized for TOP SECRET material, or in metal file cabinets equipped with steel lockbar and an approved three combination dial-type padlock from which the manufacturer's identification numbers have been obliterated, or in comparably secure facilities approved by the head of the department or agency.

(c) Other classified material.--Heads of departments and agencies shall prescribe such protective facilities as may be necessary in their departments or agencies for material originating under statutory provisions requiring protection of certain information.

(d) Changes of lock combinations.--Combinations on locks of safekeeping equipment shall be changed, only by persons having appropriate security clearance, whenever such equipment is placed in use after procurement from the manufacturer or other sources, whenever a person knowing the combination is transferred from the office to which the equipment is assigned, or whenever the combination has been subjected to compromise, and at least once every year. Knowledge of combinations shall be limited to the minimum number of persons necessary for operating purposes. Records of combinations shall be classified no lower than the highest category of classified defense material authorized for storage in the safekeeping equipment concerned.

(e) Custodian's responsibilities.--Custodians of classified defense material shall be responsible for providing the best possible protection and accountability for such material at all times and particularly for securely locking classified material in approved safekeeping equipment whenever it is not in use or under direct supervision of authorized employees. Custodians shall follow procedures which insure that unauthorized persons do not gain access to classified defense information or material by sight or sound, and classified information shall not be discussed with or in the presence of unauthorized persons.

(f) Telephone conversations.--Defense information classified in the three categories under the provisions of this order shall not be revealed in telephone conversations, except as may be authorized under section 8 hereof with respect to the transmission of SECRET and CONFIDENTIAL material over certain military communications circuits.

(g) Loss or subjection to compromise.--Any person in the executive branch who has knowledge of the loss or possible subjection to compromise of classified defense information shall promptly report the circumstances to a designated official of his agency, and the latter shall take appropriate action forthwith, including advice to the originating department or agency.

Section 7. Accountability and dissemination.--Knowledge or possession of classified defense information shall be permitted only to persons whose official duties require such access in the interest of promoting defense and only if they have been determined to be trustworthy. Proper control of dissemination of classified defense information shall be maintained at all times, including good accountability records of classified defense information documents, and severe limitation on the number of such documents originated as well as the number of copies thereof reproduced. The number of copies of classified defense information documents shall be kept to a minimum to decrease the risk of compromise of the information contained in such documents and the financial burden on the Government in protecting such documents. The following special rules shall be observed in connection with accountability for and dissemination of defense information or material:

(a) Accountability procedures.--Heads of departments and agencies shall prescribe such accountability procedures as are necessary to control effectively the dissemination of classified defense information, with particularly severe control on material classified TOP SECRET under this order. TOP SECRET Control Officers shall be designated, as required, to receive, maintain accountability registers of, and dispatch TOP SECRET material.

(b) Dissemination outside the executive branch.--Classified defense information shall not be disseminated outside the executive branch except under conditions and through channels authorized by the head of the disseminating department or agency,

even though the person or agency to which dissemination of such information is proposed to be made may have been solely or partly responsible for its production.

(c) Information originating in another department or agency.--Except as otherwise provided by Section 102 of the National Security Act of July 26, 1947, c. 343, 61 Stat. 498, as amended, 50 U.S.C. Sec. 403, classified defense information originating in another department or agency shall not be disseminated outside the receiving department or agency without the consent of the originating department or agency. Documents and material containing defense information which are classified TOP SECRET or SECRET shall not be reproduced without the consent of the originating department or agency.

Section 8. Transmission.--For transmission outside of a department or agency, classified defense material of the three categories originated under the provisions of this order shall be prepared and transmitted as follows:

(a) Preparation for transmission.--Such material shall be enclosed in opaque inner and outer covers. The inner cover shall be a sealed wrapper or envelope plainly marked with the assigned classification and address. The outer cover shall be sealed and addressed with no indication of the classification of its contents. A receipt form shall be attached to or enclosed in the inner cover, except that CONFIDENTIAL material shall require a receipt only if the sender deems it necessary. The receipt form shall identify the addressor, addressee, and the document, but shall contain no classified information. It shall be signed by the proper recipient and returned to the sender.

(b) Transmitting TOP SECRET material.--The transmission of TOP SECRET material shall be effected preferably by direct contact of officials concerned, or, alternatively, by specifically designated personnel, by State Department diplomatic pouch, by a messenger-courier system especially created for that purpose, or by electric means in encrypted form; or in the case of information transmitted by the Federal Bureau of Investigation, such means of transmission may be used as are currently approved by the Director, Federal Bureau of Investigation, unless express reservation to the contrary is made in exceptional cases by the originating agency.

(c) Transmitting SECRET material.--SECRET material shall be transmitted within the continental United States by one of the means established for TOP SECRET material, by an authorized courier, by United States registered mail, or by protected commercial express, air or surface. Secret material may be transmitted outside the continental limits of the United States by one of the means established for TOP SECRET material, by commanders or masters of vessels of United States registry, or by United States post office registered mail through Army, Navy, or Air Force postal facilities, provided that the material does not at any time pass out of United States Government control and does not pass through a foreign postal system. SECRET material may, however, be transmitted between United States Government and/or Canadian Government installations in continental United States, Canada, and Alaska by United States and Canadian registered mail with registered mail receipt. In an emergency, SECRET material may also be transmitted over military communications circuits in accordance with regulations promulgated for such purpose by the Secretary of Defense.

(d) Transmitting CONFIDENTIAL material.--Confidential defense material shall be transmitted within the United States by one of the means established for higher classifications, by registered mail, or by express or freight under such specific conditions as may be prescribed by the head of the department or agency concerned. Outside the continental United States, CONFIDENTIAL defense material shall be transmitted in the same manner as authorized for higher classifications.

(e) Within an agency.--Preparation of classified defense material for transmission, and transmission of it, within a department or agency shall be governed by regulations, issued by the head of the department or agency, insuring a degree of security equivalent to that outlined above for transmission outside a department or agency.

Section 9. Disposal and destruction.--Documentary record material made or received by a department or agency in connection with transaction of public business and

preserved as evidence of the organization, functions, policies, operations, decisions, procedures or other activities of any department or agency of the Government, or because of the informational value of the data contained therein, may be destroyed only in accordance with the act of July 7, 1943, c. 192, 57 Stat. 380, as amended, 44 U.S.C. 366-380. Nonrecord classified material, consisting of extra copies and duplicates including shorthand notes, preliminary drafts, used carbon paper, and other material of similar temporary nature, may be destroyed, under procedures established by the head of the department or agency which meet the following requirements, as soon as it has served its purpose:

(a) Methods of destruction.--Classified defense material shall be destroyed by burning in the presence of an appropriate official or by other methods authorized by the head of an agency provided the resulting destruction is equally complete.

(b) Records of destruction.--Appropriate accountability records maintained in the department or agency shall reflect the destruction of classified defense material.

Section 10. Orientation and inspection.--To promote the basic purposes of this order, heads of those departments and agencies originating or handling classified defense information shall designate experienced persons to coordinate and supervise the activities applicable to their departments or agencies under this order. Persons so designated shall maintain active training and orientation programs for employees concerned with classified defense information to impress each such employee with his individual responsibility for exercising vigilance and care in complying with the provisions of this order. Such persons shall be authorized on behalf of the heads of the departments and agencies to establish adequate and active inspection programs to the end that the provisions of this order are administered effectively.

Section 11. Interpretation of regulations by the Attorney General.--The Attorney General, upon request of the head of a department or agency or his duly designated representative, shall personally or through authorized representatives of the Department of Justice render an interpretation of these regulations in connection with any problems arising out of their administration.

Section 12. Statutory requirements.--Nothing in this order shall be construed to authorize the dissemination, handling, or transmission of classified information contrary to the provisions of any statute.

Section 13. "Restricted Data" as defined in the Atomic Energy Act.--Nothing in this order shall supersede any requirements made by or under the Atomic Energy Act of August 1, 1946, as amended. "Restricted Data" as defined by the said act shall be handled, protected, classified, downgraded, and declassified in conformity with the provisions of the Atomic Energy Act of 1946, as amended, and the regulations of the Atomic Energy Commission.

Section 14. Combat operations.--The provisions of this order with regard to dissemination, transmission, or safekeeping of classified defense information or material may be so modified in connection with combat or combat-related operations as the Secretary of Defense may by regulations prescribe.

Section 15. Exceptional cases.--When, in an exceptional case, a person or agency not authorized to classify defense information originates information which is believed to require classification, such person or agency shall protect that information in the manner prescribed by this order for that category of classified defense information into which it is believed to fall, and shall transmit the information forthwith, under appropriate safeguards, to the department, agency, or person having both the authority to classify information and a direct official interest in the information (preferably, that department, agency, or person to which the information would be transmitted in the ordinary course of business), with a request that such department, agency, or person classify the information.

Section 16. Review to insure that information is not improperly withheld hereunder.--The President shall designate a member of his staff who shall receive, consider, and take action upon, suggestions or complaints from nongovernmental sources relating to the operation of this order.

Section 17. Review to insure safeguarding of classified defense information.--The National Security Council shall conduct a continuing review of the implementation of this order to insure that classified defense information is properly safeguarded, in conformity herewith.

Section 18. Review within departments and agencies.--The head of each department and agency shall designate a member or members of his staff who shall conduct a continuing review of the implementation of this order within the department or agency concerned to insure that no information is withheld hereunder which the people of the United States have a right to know, and to insure that classified defense information is properly safeguarded in conformity herewith.

Section 19. Revocation of Executive Order No. 10290.--Executive Order No. 10290 of September 24, 1951, is revoked as of the effective date of this order.

Section 20. Effective date.--This order shall become effective on December 15, 1953.

Dwight D. Eisenhower.

THE WHITE HOUSE, November 5, 1953.

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Memorandum for the Heads of All Departments and Agencies of the Government

The following departments and agencies of the executive branch and their constituent agencies shall be subject to the limitations specified in section 2 of the Executive order entitled "Safeguarding Official Information in the Interests of the Defense of the United States":

A. Original classification authority eliminated:

1. American Battle Monuments Commission
2. Arlington Memorial Amphitheater Commission
3. Commission of Fine Arts
4. Committee on Purchases of Blind-Made Products
5. Committee for Reciprocity Information
6. Commodity Exchange Commission
7. Export-Import Bank of Washington
8. Federal Deposit Insurance Corporation
9. Federal Mediation and Conciliation Service
10. Federal Reserve System
11. Federal Trade Commission
12. Housing and Home Finance Agency
13. Indian Claims Commission
14. Interstate Commerce Commission
15. Missouri Basin Survey Commission
16. National Capital Housing Authority
17. National Capital Park and Planning Commission
18. National Forest Reservation Commission
19. National Labor Relations Board
20. National Mediation Board
21. Railroad Retirement Board
22. Securities and Exchange Commission
23. Selective Service System
24. Smithsonian Institution
25. United States Tariff Commission
26. Veterans Administration
27. Veterans Education Appeals Board
28. War Claims Commission

B. Original classification authority limited to head of agency:

1. Civil Aeronautics Board
2. Defense Transport Administration
3. Department of Agriculture
4. Department of Health, Education, and Welfare
5. Department of the Interior
6. Department of Labor
7. Federal Communications Commission
8. Federal Power Commission

9. National Science Foundation
10. National Security Training Commission
11. Panama Canal Company
12. Post Office Department
13. Reconstruction Finance Corporation
14. Renegotiation Board
15. Small Business Administration
16. Subversive Activities Control Board
17. Tennessee Valley Authority

C. Heads of departments and agencies not named herein shall limit the exercise of classification authority in accordance with section 2(c) of the order.

Dwight D. Eisenhower.

THE WHITE HOUSE, November 5, 1953

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NO. 160-2, MAY 19, 1954, DESIGNATION OF ADMINISTRATIVE ASSISTANT SECRETARY TO TAKE FINAL ACTIONS IN PERSONNEL SECURITY CASES

Pursuant to the authority contained in the act of August 26, 1950 (64 Stat. 476, c. 803); Executive Order No. 10450, approved April 27, 1953 (18 F.R. 2489), as amended by Executive Order No. 10491, approved October 13, 1953 (18 F.R. 6583); and Reorganization Plan No. 26 of 1950 (15 F.R. 4935, 64 Stat. 1280), the Administrative Assistant Secretary of the Treasury is hereby designated, under Section 5 (h) of the said Treasury Department Order No. 82, Revised, to review the files of, and take final actions in, personnel security cases, processed pursuant to Subsections (f) or (g) of Section 5 of the said Treasury Department Order No. 82, Revised.

G. M. Humphrey,
Secretary of the Treasury.

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NO. 162-2, NOVEMBER 2, 1953, DELEGATION OF AUTHORITY TO THE COMMISSIONER OF ACCOUNTS TO PERFORM FISCAL LIQUIDATION OF THE ECONOMIC STABILIZATION AGENCY

By virtue of authority vested in me by Reorganization Plan No. 26 of 1950, the authority conferred upon the Secretary of the Treasury by Executive Order No. 10494 dated October 14, 1953, to perform such functions as remain in connection with the fiscal liquidation of the Economic Stabilization Agency is hereby delegated to the Commissioner of Accounts.

A. N. Overby,
Acting Secretary of the Treasury.

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NO. 165-1, AUGUST 13, 1953, DELEGATION TO COMMISSIONER OF CUSTOMS OF AUTHORITY VESTED IN THE SECRETARY OF THE TREASURY BY CERTAIN STATUTES

By virtue of the authority vested in me by Section 3 of the act of March 3, 1927 (5 U.S.C. 281b), and Reorganization Plan No. 26 of 1950 (15 F.R. 4935; 3 CFR, 1950 Supp., page 178), it is hereby ordered:

1. There are hereby transferred to the Commissioner of Customs all the functions, rights, privileges, powers, and duties vested in the Secretary of the Treasury by (a) the Customs Simplification Act of 1953 (67 Stat. 507-521) and (b) the act of August 13,

1953 (67 Stat. 577), amending Section 1 of Title VI of the act of June 15, 1917, 40 Stat. 223, as amended (22 U.S.C. 401).

2. All functions, rights, privileges, powers, and duties transferred by this order may be delegated by the Commissioner of Customs to subordinates in the Bureau of Customs in such manner as he shall from time to time direct.

H. Chapman Rose,
Acting Secretary of the Treasury.

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NO. 165-2, OCTOBER 29, 1953, TRANSFER OF FUNCTION OF REFUNDING CERTAIN EXCESS DEPOSITS OF INTERNAL-REVENUE TAX TO THE COMMISSIONER OF CUSTOMS

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 (3 CFR, 1950 Supp. ch. III), it is hereby ordered that effective January 1, 1954, there shall be transferred from the Commissioner of Internal Revenue to the Commissioner of Customs the function of refunding excess deposits of internal-revenue tax, previously collected by collectors of customs, which are found by collectors of customs upon liquidations or reliquidations made on or after January 1, 1954, to be due and the functions prescribed by 26 U.S.C. 3771(a), (b) (2) (53 Stat. 465) of determining, allowing, and paying interest in connection with such refunds.

The functions herein transferred may be delegated by the Commissioner of Customs to other officers or employees of the Customs Service in such manner as the Commissioner shall direct.

H. Chapman Rose,
Acting Secretary of the Treasury.

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NO. 165-3, DECEMBER 7, 1953, ESTABLISHMENT OF OFFICE OF DEPUTY COMMISSIONER (TARIFF AND MARINE ADMINISTRATION) IN THE BUREAU OF CUSTOMS

By virtue of the authority vested in me as Secretary of the Treasury, there is hereby established in the Bureau of Customs a new office designated as Deputy Commissioner of Customs (Tariff and Marine Administration). This office shall have supervision of the Division of Classification, Entry and Value, the Division of Drawbacks, Penalties, and Quotas, and the Division of Marine Administration.

H. Chapman Rose,
Acting Secretary of the Treasury.

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NOS. 167-4 to 167-8, DELEGATION OF CERTAIN FUNCTIONS TO THE COMMANDANT, U. S. COAST GUARD

No. 167-4, August 17, 1953

Pursuant to the authority vested in me as Secretary of the Treasury, including the authority in Title 14, United States Code, specifically Sections 92, 631, and 633, and the authority in Reorganization Plan No. 26 of 1950 (15 F.R. 4935), there are hereby delegated to the Commandant, United States Coast Guard, the functions of the Secretary of the Treasury set forth below. The Commandant is authorized to redelegate any function herein delegated to the extent that he may deem to be necessary or appropriate. The functions herein delegated include those vested in me by:

(1) 33 U.S.C. 747b, to prescribe rules for paying actual and necessary traveling expenses of lighthouse keepers at isolated stations incurred in obtaining medical attention.

(2) 33 U.S.C. 748, to prescribe regulations for the payment of traveling and subsistence expenses of teachers while actually employed by States or private persons to instruct the children of keepers of lighthouses.

(3) 33 U.S.C. 748a, to prescribe regulations for the transportation of the children of lighthouse keepers at isolated light stations where necessary to enable such children to attend school.

H. Chapman Rose,
Acting Secretary of the Treasury.

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No. 167-5, September 2, 1953

Pursuant to the authority vested in me as Secretary of the Treasury by Reorganization Plan No. 26 of 1950 (15 F.R. 4935), there are hereby transferred to the Commandant, U. S. Coast Guard, the duties and functions vested in the Secretary of the Treasury by Public Law 73, 83rd Congress, 1st Session, to determine that schools, if any, available in a locality outside the continental United States are unable to provide adequately for the education of dependents of Coast Guard personnel in such locality and to determine the amount that may be expended from the appropriations for the Coast Guard in payment of the expenses of primary and secondary schooling of and the transportation between schools and places of residence of such dependents.

The Commandant may delegate to officers of the Coast Guard duties and functions herein transferred to the extent that he may deem necessary and appropriate.

A. N. Overby,
Acting Secretary of the Treasury.

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No. 167-6, November 17, 1953

Pursuant to the authority vested in me as Secretary of the Treasury, as provided in Sections 92, 631, and 633 in Title 14, United States Code, Reorganization Plan No. 26 of 1950 (15 F.R. 4935), and Sections 143a, 356, and 360 in Title 33, United States Code, there is hereby delegated to the Commandant, United States Coast Guard, those functions of the Secretary of the Treasury with respect to certain statutory rules for preventing marine collisions as applicable to Coast Guard vessels. The functions herein delegated are those vested in me by:

(1) 33 U.S.C. 143a (October 11, 1951, Sec. 2, 65 Stat. 407), with respect to lights required by the "Regulations for Preventing Collisions at Sea, 1948", for a Coast Guard vessel or class of vessels.

(2) 33 U.S.C. 356 (May 21, 1948, Sec. 4, 62 Stat. 250), with respect to any requirement of a nautical rule for preventing collisions for the Mississippi River and its tributaries above the Huey P. Long Bridge, that part of the Atchafalaya River above its junction with the Plaquemine-Morgan City alternate waterway, and the Red River of the North, for a Coast Guard vessel or class of vessels.

(3) 33 U.S.C. 360 (December 3, 1945, Sec. 1, 59 Stat. 590), with respect to lights required by any applicable nautical rule for preventing collisions on navigable waters of the United States, or its Territories or possessions, for a Coast Guard vessel or class of vessels.

In performing functions delegated, the Commandant shall be governed by the applicable provisions and conditions set forth in these laws. The Commandant is authorized

to redelegate any function herein delegated to the extent that he may deem necessary or appropriate.

H. Chapman Rose,
Acting Secretary of the Treasury.

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No. 167-7, November 30, 1953

By virtue of the authority vested in me as Secretary of the Treasury and the authority in Reorganization Plan No. 26 of 1950 (15 F.R. 4935), there are hereby delegated to the Commandant, U. S. Coast Guard, the functions of the Secretary of the Treasury set forth below and all action taken thereunder prior to the effective date of this order is hereby ratified. The Commandant is authorized to redelegate the functions herein delegated. These functions include those vested in me by the following sections of the act of July 9, 1952 (66 Stat. 481):

(1) Section 209 (a), to give or withhold consent required for enlistment or appointment of a Coast Guard Reservist in another Armed Force of the United States.

(2) Section 217 (c), to convene and take final action approving or disapproving the recommendations of the board of officers provided for therein.

(3) Section 232, to determine whether or not applicants for appointment or enlistment in the Coast Guard Reserve may be appointed or enlisted notwithstanding the existence of a physical defect.

(4) Section 233, to order Reserve personnel to extended active duty or active duty for training under the conditions and to the extent provided for therein.

(5) Section 234, to order to and retain on active duty, with their consent, Reserve personnel to perform duties in connection with the organizing, administering, recruiting, instructing, or training of the Coast Guard Reserve.

(6) Section 235, (a), to enter into a standard written agreement with Reserve personnel for periods of active duty service not to exceed five (5) years.

(7) Section 239, to release from extended active duty or active duty for training any member of the Coast Guard Reserve at any time.

(8) Section 249 (a), to convene boards of officers provided for therein.

(9) Section 253, to detail such members of the Regular Coast Guard and of the Coast Guard Reserve as may be necessary to develop, train, instruct, and administer the Coast Guard Reserve.

(10) Section 255, to make available to the Coast Guard Reserve such supplies, equipment, services, and facilities of the Regular Coast Guard as he may deem necessary and advisable for the support and development of the Coast Guard Reserve without charging the costs or value thereof, or any expenses in connection therewith, against the appropriation provided for the Coast Guard Reserve and to repossess or redistribute such equipment and supplies as he finds to be in the best interest of the United States.

H. Chapman Rose,
Acting Secretary of the Treasury.

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No. 167-8, January 14, 1954

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, there is transferred to the Commandant, United States Coast Guard, the function of certifying, where such a certification is required by statute or otherwise, that an officer of the Coast Guard was duly commissioned and in active service at a specified time.

H. Chapman Rose,
Acting Secretary of the Treasury.

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### NO. 173, REVISION NO. 1, MARCH 19, 1954, DELEGATION OF AUTHORITY RELATING TO OFFENSES WITH RESPECT TO COINS, OBLIGATIONS, AND SECURITIES OF THE UNITED STATES AND FOREIGN GOVERNMENTS

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, there is hereby delegated to the Chief, United States Secret Service, authority to perform any function of the Secretary of the Treasury under Title 18, U.S.C., Sections 474, 476, 477, 481, 486, 487, 488, 489, 491(a), or 492 relating to offenses with respect to coins, obligations, and securities of the United States and foreign governments, and the remission or mitigation of forfeiture of counterfeiting paraphernalia.

H. Chapman Rose,
Acting Secretary of the Treasury.

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### NO. 177, OCTOBER 19, 1953, DELEGATION OF AUTHORITY TO PERFORM CERTAIN FUNCTIONS RELATING TO PURCHASE, CUSTODY, TRANSFER, AND SALE OF FOREIGN EXCHANGE

By virtue of authority vested in me by Reorganization Plan No. 26 of 1950 and Section 161 of the Revised Statutes (5 U.S.C. 22), there is hereby delegated to the Fiscal Assistant Secretary of the Treasury authority to perform any function of the Secretary of the Treasury under the provisions of Department Circular No. 930, 31 CFR 281, governing the purchase, custody, transfer, and sale of foreign exchange by executive departments and agencies of the United States, including authority to waive the provisions of the circular in particular cases.

G. M. Humphrey,
Secretary of the Treasury.

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### NO. 177-1, NOVEMBER 12, 1953, DELEGATION OF AUTHORITY TO MAKE THE CERTIFICATION TO THE POSTMASTER GENERAL REQUIRED BY SECTION 306 OF THE PENALTY MAIL ACT

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, there is hereby delegated to the Administrative Assistant Secretary the function of making the certification required by Section 306 of the act of June 25, 1948 (39 U.S.C. 321n).

The Administrative Assistant Secretary is further empowered, within his discretion, to redelegate such function.

M. B. Folsom,
Acting Secretary of the Treasury.

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### NO. 177-2, DECEMBER 1, 1953, DELEGATION OF AUTHORITY RELATING TO CERTAIN FUNCTIONS UNDER THE REFUGEE RELIEF ACT OF 1953

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, the Fiscal Assistant Secretary shall be my designee under the provisions of the regulations in Part 290 of Title 31, Code of Federal Regulations, relating to the making of loans to public or private agencies of the United States for the purpose of financing the transportation from ports of entry within the United States to the places of their resettlement of persons receiving immigrant visas under the Refugee Relief Act of 1953, approved September 16, 1953.

M. B. Folsom,
Acting Secretary of the Treasury.

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NO. 178, OCTOBER 20, 1953, DELEGATION OF AUTHORITY TO SIGN CHECKS DRAWN AGAINST DEPOSIT ACCOUNTS OF THE SECRETARY OF THE TREASURY

There is hereby delegated to the Chief Disbursing Officer authority to sign checks drawn against the deposit accounts of the Secretary of the Treasury. These checks shall be signed

Secretary of the Treasury,

By ------------------------
Chief Disbursing Officer.

A. N. Overby,
Acting Secretary of the Treasury.

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NO. 179, NOVEMBER 19, 1953, TRANSFER OF FUNCTIONS PERTAINING TO DISTRIBUTION OF COINS TO THE BUREAU OF THE MINT

1. Pursuant to the authority vested in me by Reorganization Plan No. 26 of 1950, there are hereby transferred from the Treasurer of the United States to the Bureau of the Mint to be performed in such manner as the Director of the Mint may designate, effective December 1, 1953, the functions pertaining to the distribution and transfer of current and uncurrent coins among the mints, Federal Reserve Banks, Federal Reserve branches, the Treasurer of the United States, and such other persons or institutions as may be necessary.

2. Such records as are determined to be necessary to perform the foregoing functions shall be made available by the Treasurer of the United States to the Bureau of the Mint.

G. M. Humphrey,
Secretary of the Treasury.

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NOS. 180 AND 180-1, DELEGATIONS OF FUNCTIONS TO THE COMMISSIONER OF NARCOTICS

No. 180, November 17, 1953

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, it is ordered as follows:

1. There are transferred to the Commissioner of Narcotics all the functions of the Secretary of the Treasury, the Under Secretary of the Treasury, or any Assistant Secretary of the Treasury under Section 3761(a) of the Internal Revenue Code with respect to the compromise of any criminal case arising under Chapter 23 or Part V or VI of Subchapter A of Chapter 27 of the Internal Revenue Code, except where the criminal liability relates only to delinquency in registration or delinquency in payment of tax.

2. In any case in which a general offer is made in compromise of civil or criminal liability compromisable by the Commissioner of Internal Revenue and of criminal liability compromisable by the Commissioner of Narcotics, they may jointly exercise the authority of the Secretary, the Under Secretary, or any Assistant Secretary under Section 3761(a) of the Internal Revenue Code.

3. Treasury Department Order No. 150-25, dated June 1, 1953, is modified accordingly.

H. Chapman Rose,
Acting Secretary of the Treasury.

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No. 180-1, December 9, 1953

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, there is hereby delegated to the Commissioner of Narcotics authority to perform any function of the Secretary of the Treasury under the act of August 9, 1939, 53 Stat. 1291 (49 U.S.C. 781 et seq.), and under Part 153 of Title 26 of the Code of Federal Regulations, relating to the remission or mitigation of forfeitures incurred in connection with those contraband articles that are classified by the act under the term "narcotic drug."

H. Chapman Rose,
Acting Secretary of the Treasury.

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NO. 181, JUNE 30, 1954, ESTABLISHMENT OF OFFICES AND TRANSFER OF FUNCTIONS PERTAINING TO LIQUIDATION AND LENDING

By virtue of the authority vested in me as Secretary of the Treasury, including the authority in Reorganization Plan No. 26 of 1950, it is ordered as follows:

1. There are transferred to Assistant to the Secretary Robbins all of the functions of the Secretary of the Treasury under Section 10 of the Reconstruction Finance Corporation Act, as amended.

2. There is established in the Office of the Secretary the Office of Defense Lending, at the head of which there shall be an Executive Director. The Office of Defense Lending shall consist of such personnel in addition to the Executive Director as may be assigned to it from time to time.

3. There are transferred to the Executive Director of the Office of Defense Lending all of the functions of the Secretary of the Treasury under Section 409 of the Federal Civil Defense Act of 1950 and Section 302 of the Defense Production Act of 1950, as amended.

4. The Executive Director of the Office of Defense Lending and the Administrator of the Federal Facilities Corporation shall report to Assistant to the Secretary Robbins, who shall report to the Deputy to the Secretary.

5. The Reconstruction Finance Corporation, the Office of Defense Lending, and the Federal Facilities Corporation shall be subject to the provisions of Department Circular No. 519, dated June 20, 1934, relating to the administration of legal activities by the General Counsel.

6. This order shall become effective July 1, 1954.

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 69.--Joint proposal by the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Comptroller General of the United States to improve the receipt and expenditure reports of the Federal Government

October 5, 1953

### A. Background

This proposal was developed as another major step in achieving the objectives of the Joint Accounting Improvement Program and in carrying out the policy laid down by the Congress in the Budget and Accounting Procedures Act of 1950, namely, that the accounting of the Government provide full disclosure of the results of financial operations and adequate financial information needed in the management of operations and the formulation and execution of the Budget. More specifically, the recommendations presented herein are designed to improve the consistency, presentation, and usefulness of receipt and expenditure data and thereby capitalize on the simplifications and improvements in agency-Treasury relationships achieved under the joint accounting program in the accounting for cash transactions.

In the absence of a well conceived overall accounting plan, several series of receipt and expenditure data were developed to meet the varying situations arising over the years. These data were derived on different bases and from different sources. However, because of the similarity of coverage, the distinctions between the several series are not generally understood and, accordingly, confusion has resulted.

### B. Purposes for which data are needed

Within the Government the daily cash income and outgo is one of the basic factors in determining financing requirements. However, a classification of transactions by sources and by appropriations and funds, together with significant summaries, on a less frequent but timely basis, is essential for budget administration. This is particularly so when emphasis is being placed upon control of expenditures as well as the incurring of obligations. In addition, the accumulation of receipt and expenditure data is required for historical and comparative purposes in reporting upon the results of the financial operations of the Government in such documents as the "Combined Statement of Receipts, Expenditures and Balances" and "The Budget," as well as for the furnishing of special reports to congressional committees. Moreover, many others in Government depend, in part, on these several presentations of data in carrying out their respective functions.

The public, of course, has a great interest in timely data reflecting Government financial activities. Here, again, varying purposes are served by the several presentations of data. One group is primarily concerned with the overall effect of receipts and expenditures, while others are concerned with particular segments of the total, such as foreign aid.

Over the years, a figure characterized as "budget surplus or deficit" has become a widely used yardstick in gauging the significance of the financial operations of the Government.

Because of the varied uses to which receipt and expenditure data are put by different groups, it is obvious that no one all-purpose presentation either as to time periods or as to the detail of classification can effectively serve all groups. However, it seems obvious that such data should be presented on a consistent basis with due regard to timeliness balanced with accounting preciseness and economy of operations.

### C. Recommended program

The following recommendations deal with the steps necessary to obtain monthly a cumulative classification of receipts and expenditures. They are designed to give full recognition to the varying needs of the several groups which use these data and to

arrive at a balance between the need for timely data classified to the extent necessary to serve its intended purpose and the practical limitations involved in obtaining the data. Further, there will be an integration of agency-Treasury data on the common ground of accounting for cash transactions and the budget results will be susceptible of reconciliation with transactions affecting the cash balance in the Treasury and the outstanding public debt, after taking into consideration such items as outstanding checks, undeposited collections, deposits in transit, etc. In this connection, Treasury will develop the necessary reporting requirements. The General Accounting Office will prescribe the necessary accounting requirements and collaborate with the Treasury and the individual agencies in order to develop the necessary procedures.

These recommendations do not deal with the needs for data on cash income and outgo except to the extent which they touch upon practices now followed in the publication of such data.

1. Receipts.--Reports will be based upon present practices i. e., collections or confirmed deposits. Efforts should be continued to convert all activities to a collection basis in the interests of improved reporting.

2. Expenditures.--Reports will be based upon payments made, i. e., checks issued and cash disbursements. In those cases where the disbursing function is performed by the Treasury, the data will be furnished from Treasury accounts. In the case of defense, data will be taken from the accounts of the respective services. Government corporations and others performing their own disbursing function will, likewise, furnish the data from their accounts.

In the interest of obtaining timely and reasonably complete data, estimates will be employed to a very limited extent in monthly reports with the data adjusted to actual at the year-end.

3. Budget surplus or deficit.--The data used to arrive at the budget surplus or deficit will be on a collections or confirmed deposit and payments made basis and will be the same data referred to in discussing receipts and expenditures above. In order to arrive at this figure, an appropriate classification must necessarily be made between budget and nonbudget items. As a practical matter, this classification can only be obtained monthly in Defense.

4. Correlated use of data.--The following discussion is for the purpose of indicating the nature and relationship of the several presentations contemplated.

(a) Summary report of receipts and expenditures.--A summary showing classified receipts and expenditures and the resulting budget surplus or deficit, based upon the reports compiled under this proposal, will be published regularly by the Treasury Department as of the end of each month. This report will be released as part of the daily Treasury statement on the 15th of the month following the close of the month for which the report is made. These data will serve to inform top management of the Government of results for the prior month. The extent of the detail as to classification by appropriation and fund or summaries thereof, will be subject to needs but, as a practical matter, only major totals will be included for defense transactions. The initial June 30 report each year, including a preliminary figure for budget surplus or deficit, will be recognized as preliminary and a final report will be rendered reflecting adjustments required for year-end preciseness in the historical accumulations discussed below.

(b) Report on status of appropriation accounts.--These reports, by appropriation and fund, will continue to be required of the agencies as heretofore, i. e., not later than 20 days after the end of the month. The receipt and expenditure data will agree in total with the summary data described above but, in some instances, an "undistributed" category may be used for reporting purposes where a detail classification is not available, e. g., for estimated amounts included in the expenditure total. In relation to the total, the "undistributed" category will not be significant.

(c) "Combined Statement of Receipts, Expenditures and Balances".--This annual publication by the Treasury will contain data accumulated for the fiscal year on a final basis, and will continue to be recognized as the official historical accumulation of receipt and expenditure data.

(d) "The Budget".--The receipt and expenditure data included will be in agreement with the official historical accumulation described in the preceding paragraph. This will avoid the annual arbitrary adjustment to the daily Treasury statement basis, which has been the practice in the past.

(e) Special reports by Treasury.--Data released currently to congressional committees and others throughout the year on receipts and expenditures (e. g., data furnished Joint Committee on Reduction of Non-Essential Federal Expenditures, commonly referred to as the Byrd Report) will be in agreement with data used in the summary report of receipts and expenditures described above.

(f) Daily Treasury statement.--Although this proposal does not include recommendations as to specific changes in existing practices with respect to format, timing, etc., of data to be published in the "Daily Statement of the United States Treasury," it does include the following points:

(1) Data available on a daily basis will not include a classification as to budget versus nonbudget transactions but will include data reflecting total cash income and outgo of the Treasury. Classified receipts and expenditures and the resulting budget surplus or deficit will be released as a part of the daily Treasury statement on the 15th of each month following the close of the month for which the report is made.

(2) To the extent that the daily publication may include a classification of cash income and outgo, it should be a classification that can be obtained from Treasury sources, it should be recognized as a separate series of data, and it should be understood that such a classification will not provide the controlling totals for receipt and expenditure data contained in the Combined Statement, the Budget document or other special reports.

5. General Accounting Office audit.--In carrying out his audit responsibilities to the Congress under the Budget and Accounting Procedures Act of 1950, the Comptroller General determines the effectiveness with which an agency has discharged its financial responsibilities. Among the financial responsibilities of an agency is the rendering of reports to the Treasury Department under the provisions of Sec. 114 (a) of the act referred to above. Accordingly, the reliability of the data submitted to the Treasury under this proposal will be tested by the General Accounting Office in the course of its audit activities. Copies of reports reflecting its findings will be furnished to the agency and the Treasury.

Approval of the foregoing recommendations at this time will permit work to proceed in the further development and installation of the reporting practices proposed. Questions which may arise will be resolved in a manner consistent with the guidelines set forth above.

Recommended program approved:

G. M. Humphrey,
Secretary of the Treasury.

Joseph M. Dodge,
Director, Bureau of the Budget.

Lindsay C. Warren,
Comptroller General of the United States.

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## Exhibit 70.--Joint statement by the Secretary of the Treasury, the Director of the Budget, and the Comptroller General of the United States, relative to changes in Treasury reporting

Treasury Department,
Washington, February 17, 1954.

After a year's study we have found that the daily Treasury statement of "Budget receipts and expenditures, and budget deficit and surplus," is inadequate in the following respects:

1. It is impossible, at any reasonable cost, to obtain complete and accurate daily reports of checks issued and payments made by all Federal agencies, some of which are engaged in world-wide activities.

2. Even where daily reporting is practicable, the figures are not on a uniform basis. For instance, some expenditures are reported on an accrual basis; some are on a current checks-issued basis; others are reported on a delayed-checks-issued basis; and others are reported on a strictly cash payment (i. e., checks paid) basis.

3. Thus there has not been a common basis for comparing actual expenditures with detailed budgetary estimates.

In the interest of accurate and meaningful information, Treasury Department Circular 940, effective February 17, 1954, changes the basis of reporting in the Treasury daily statement, and provides for publication at approximately midmonth of a monthly statement on "Receipts and expenditures of the United States Government."

### DAILY CASH STATEMENT

The new daily Treasury statement will be limited to a summary of Treasury assets and liabilities, cash receipts and withdrawals, and closing cash balances as they are recorded for the day in the account of the Treasurer of the United States. In addition, it will disclose the effect of the day's operations on the public debt, but will not show budget surplus or deficit.

### MONTHLY BUDGET STATEMENT

The new monthly statement will be an accurate report on receipts and expenditures of the United States Government on a budgetary basis showing surplus or deficit. Monthly reporting on this basis will allow the necessary time for uniform reporting of budget results, including Government corporation and business-type agency transactions, refunds, and trust fund operations and investments, etc.

Budget receipts will be on a collection basis, i. e., when money is received by collecting officers.

Budget expenditures will be reported on a uniform basis of checks issued and payments made by disbursing officers. Thus both revenue collections and expenditures will tie to the accounting records of the various agencies, and to the President's budget.

These budget results will be reconciled with the cash balance in the Treasury and the outstanding public debt.

The new procedure, which is the result of a study made under the Joint Accounting Improvement Program by the Treasury Department, Bureau of the Budget, and General Accounting Office, is being adopted in the interest of better public understanding of Government operations and provides improved means for more effective budgetary control.

This change in reporting procedure does not involve any change in policy regarding the basis of the Government's Budget. The Administrative Budget will continue to be the basis for determining the budget surplus or deficit.

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## Exhibit 71.--Regulations governing reports of certain cash transactions of the United States Government

[Department Circular No. 940. Accounts]

Treasury Department,
Washington, February 17, 1954.

To Heads of Departments and Agencies and Others Concerned:

PURPOSE

1. The purpose of this regulation is to secure data from certain agencies of the Government which, when integrated with data available in the Treasury Department, will enable the Secretary of the Treasury to present monthly cash receipts and expenditures of the Government for the information of the President, the Congress, and the public as required by law. This regulation is issued pursuant to Section 114 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 66b) and Sections 10, 15, and 22 of the act of July 31, 1894 (5 U.S.C. 255 and 264).

COVERAGE

2. The preparation of reliable and complete reports on the receipts and expenditures of the Federal Government depends upon the cooperative efforts of all departments, establishments, and agencies. Thus, the preparation and submission of monthly and other reports covering such transactions as hereinafter described is required of each disbursing agency of the Federal Government.

(a) Agencies doing their own disbursing.--This regulation applies to all agencies that do their own disbursing. Agencies served in part by Treasury disbursing officers shall report only those transactions recorded in the accounts of their disbursing officers.

(b) Treasury disbursing officers.--Treasury Department disbursing officers (including United States disbursing officers) will report all transactions covering disbursements involving agencies for which this Department disburses.

USE TO BE MADE OF REPORTS

3. The monthly reports submitted under this regulation will be utilized by the Treasury Department in preparing a monthly statement of receipts and expenditures of the United States Government and the resulting budget surplus or deficit. The statement will be published regularly as of the end of each month and released with the midmonth daily Treasury statement of the following month and will present both monthly and fiscal year to-date figures. However, the statement published July 15 covering the full fiscal year will be regarded as preliminary. A final statement for the fiscal year, incorporating adjustments required for year-end preciseness will be developed from a supplemental (thirteenth) report to be rendered by each agency covered by this regulation.

INTEGRATION WITH TREASURY CASH ACCOUNTS

4. The provisions of this regulation are designed to effect the integration of agency-Treasury data on a common basis of accounting for cash transactions. The interrelationship of agency-Treasury data will be established by securing from each reporting agency an analysis of all cash transactions and the corresponding classified payments and receipts resulting from the issuance of checks, payments in cash, collections, and deposits. The receipts and expenditures reported will thus be susceptible of reconcilia-

tion with transactions affecting the cash balance in the Treasurer's accounts after taking into consideration such items as checks outstanding, undeposited collections, deposits in transit, and other elements of cash held outside the Treasury.

DAILY STATEMENT OF THE UNITED STATES TREASURY

5. Effective February 17, 1954, the "Daily Statement of the United States Treasury" will contain a summary of the assets and liabilities, cash receipts and withdrawals, and closing cash balance as recorded in the account of the Treasurer of the United States. In addition, it will disclose the effect of these operations on the public debt.

ISSUANCE OF INSTRUCTIONS

6. Reports required under this regulation shall be prepared and submitted by agencies in accordance with instructions to be issued by the Fiscal Assistant Secretary of the Treasury which instructions shall have the same force and effect as the regulation. The Fiscal Assistant Secretary is authorized to grant such exceptions to the provisions of such instructions as he may deem appropriate.

EFFECTIVE DATE

7. This regulation shall be effective immediately.

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 72.--Statement regarding a system of central accounts for the United States Government

[Department Circular No. 945. Accounts]

Treasury Department,
Washington, May 11, 1954.

To Heads of Government Departments and Agencies and Others Concerned:

I. PURPOSE OF THIS STATEMENT

1. Under the Budget and Accounting Procedures Act of 1950, the Secretary of the Treasury is required to so organize accounting in the Treasury Department as to provide the operating center for consolidation of accounting results of other agencies with those of the Department, under a unified system of central accounting and financial reporting for the Government as a whole.

2. This statement, concerning an accounting plan developed jointly by the Treasury Department, Bureau of the Budget, and the General Accounting Office, is issued for the purpose of:

(a) Establishing the framework for a unified system of central accounts, as contemplated in the Budget and Accounting Procedures Act of 1950, in relation to the financial reporting and other responsibilities of the Treasury Department concerning the Government's finances; and

(b) Providing, for the guidance of all agencies, information concerning changes in underlying accounting processes which are contemplated. Such changes will become effective after the close of the fiscal year 1954 by regulations to be issued by the Treasury Department or General Accounting Office, in their respective areas of

responsibility, dealing with the progressive modifications of warrant procedures as authorized in the Budget and Accounting Procedures Act of 1950, particularly with respect to the provisions of Joint Regulation No. 4 issued pursuant thereto on June 30, 1953, by the Secretary of the Treasury and the Comptroller General of the United States.

3. Financial reporting requirements already established pursuant to Treasury Department Circular No. 940, dated February 17, 1954, are designed to be coordinate with the accounting plans herein outlined.

## II. PRINCIPAL FEATURES OF THE PLAN

4. The central accounts maintained by the Treasury Department will disclose the receipts of the Government, by sources, and its expenditures according to each appropriation or fund, together with corresponding data concerning the cash operations of the Treasurer of the United States and the other fiscal officers of the Government. The central accounts will be based on:

(a) Monthly summaries of: (1) Classified receipts and disbursements; and (2) corresponding cash transactions representing collections, deposits in the Treasurer's account, checks drawn on the Treasurer of the United States, and all other cash transactions, as contained in the official accounts of accountable officers;

(b) Monthly summaries of deposits and withdrawals in the accounts of the Treasurer of the United States (accounting month basis); and

(c) Appropriation and related warrants issued by the Secretary of the Treasury and countersigned by the Comptroller General of the United States, and authorized transfers between appropriation accounts initiated by the agencies which administer the appropriations.

The receipts and expenditures carried in these accounts will be integrated with the cash in the Treasury, taking into account those amounts of cash as of the close of each month which are represented by:

(1) Cash held outside the Treasurer's account in the custody of accountable officers;

(2) Deposits in transit from accountable officers to the Treasurer; and

(3) Checks drawn on the Treasurer which are outstanding (i.e., unpaid).

5. The official accounts of the disbursing officers of each disbursing agency will be maintained on the basis of:

(a) Credits in checking accounts on the books of the Treasurer of the United States in amounts administratively established by the Treasury Department within the aggregate of appropriations and funds available to the related administrative agency or agencies;[1] and

(b) Transactions involving the payment and collection of money, resulting in the following concept of accountability:

(1) Increases of accountability for: (a) Checks drawn on the Treasurer; and (b) cash collections (receipts and repayments) with supporting classifications according to appropriations, funds, and receipt accounts at the levels of the individual disbursing stations or the disbursing agency as a whole; and

(2) Decreases of accountability for: (a) Gross amounts of disbursements less related receipts or repayments by deduction from paid vouchers, likewise classified according to appropriations and funds, and receipt accounts; and (b) cash deposited in the Treasurer's account.

In the final analysis, the accountability of disbursing officers will be represented by amounts of cash withdrawn from the Treasury or collected from other sources and held in their custody, including funds held by their agents and by designated commercial

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[1] Exceptions to this method of funding checking accounts may be authorized at the outset with respect to checking accounts on the Treasurer's books for disbursing officers of Government corporations and the Post Office Department.

depositaries for their account, and amounts receivable from others by reason of any transactions involving reductions of the Government's cash which are not based upon charges to appropriations or funds duly certified.

6. Disbursing officers will no longer be required to render accounts in terms of balances of appropriations and funds, either individually or in the aggregate. This modification, together with the funding of checking accounts solely on the basis of credits by administrative action of the Treasury Department, as indicated in paragraph 5(a) above, establishes the basis for eliminating from disbursing processes the funding transactions outlined below, none of which has any effect on the receipts and disbursements of the Government. Collaterally, the drawing of checks on the Treasurer for these funding transactions and the deposit of such checks in the Treasurer's account, presently required because checking accounts are kept at the same level as undisbursed balances for portions of appropriations and funds established at individual disbursing stations, will be discontinued. These several nonexpenditure funding transactions are outlined below.

(a) Credits in accounts of funding officers.--Amounts of appropriation warrants will continue to be recorded in the central accounts of the Treasury and in the administrative accounts of the agencies responsible for administering the appropriations, but will no longer be taken into the accounts of funding and disbursing officers. The credits established by the Treasury Department in the checking account for each disbursing agency's funding officer will be within the aggregate of, but not necessarily equal to, the related appropriation warrants. Such credits will be established on the books of the funding officer as the check-book limitation for the disbursing agency, with corresponding credit to an overall undisbursed account. Additional credits will be authorized periodically to provide check-book limitations for the aggregate of transactions which increase the balances of appropriation and fund accounts available for disbursement, such as repayments, but which will no longer be credited to checking accounts, as hereinafter outlined. The foregoing will replace the present practice of establishing, on the books of funding officers, undisbursed balance accounts for individual appropriations with a corresponding aggregate check book credit.

(b) Transfers of funds between funding accounts and disbursing station accounts.--Funding officers will authorize the Treasurer to transfer lump sum credits from their checking accounts to the checking accounts for the underlying disbursing stations, without the use of Treasury checks and related deposits for this purpose. The amounts established in checking accounts and related undisbursed accounts for transfers received at the disbursing stations will correspond to the amounts transferred out on the books of the funding officer, within the same accounting period. These transfers will be on the basis of check-book requirements estimated for a fiscal year, or for a lesser period, if justified. There will be no relationship between the amounts of these transfers and the amounts which related administrative agencies distribute to their field fiscal installations to control the approval of vouchers for payment according to individual appropriations. Accordingly, transfers presently made in disbursing accounts according to individual appropriations and field fiscal offices pursuant to Treasury Forms 1669 applicable to the Division of Disbursement, and comparable forms of other disbursing agencies, will be discontinued.

(c) Nonexpenditure transfers between appropriations.--Vouchers effecting nonexpenditure transfers between appropriations (Standard Form No. 1151) will continue to be prepared and recorded by the administrative agencies concerned, but will be submitted directly to the Treasury Department for entry in the central accounts without passing through the operations of disbursing officers. In lieu of the issuance and deposit of negotiable checks for these transfers, presently required when the charges and credits affect two different disbursing accounts, all such vouchers will be handled by the Treasury Department as counter checks, on the same basis established in General Accounting Office Accounting Systems Memorandum No. 9-Second Revision, dated December 11, 1950, and both sides of the transfer will be reflected in the same accounting period.

(d) Disposition of unexpended balances of appropriations.--For the most part, unexpended balances of appropriation accounts are for credit to the certified claims appropriation and are presently disposed of by nonexpenditure transfers pursuant to Form 1151 vouchers. Such transfers will continue to be so handled, without relation to disbursing accounts as indicated in the preceding paragraph. In addition, the same procedures will be used for all other nonexpenditure transfers, including those for credit to receipt accounts or other appropriation accounts.

7. In the light of the foregoing, the practice of crediting deposits to checking accounts of the disbursing agencies concerned, pursuant to Standard Form 209 certificates, will be discontinued. Further, since the central receipt accounts will be kept on the basis of the miscellaneous, special fund, and trust fund receipts classified in support of the official accounts rendered by disbursing officers, the separate deposits of receipts on Standard Form 201 certificates will be discontinued. Both types of deposit will be merged into a single certificate evidencing transfer of the custody of cash to the Treasurer of the United States whether the underlying credits relate to appropriations, funds, receipts, or other accounts.

(a) Certificates of deposit prepared by administrative agencies for deposits made directly in Federal depositaries in relation to the official accounts rendered by disbursing officers of the Division of Disbursement, pursuant to Treasury Department Circular No. 937, dated January 18, 1954, will furnish a classification according to appropriation, fund, or receipt account. For all other disbursing agencies whose collections are classified in support of the official accounts of disbursing officers, the certificates of deposit will not be so classified. In all cases, the certificates will be identified as to the disbursing agency and station concerned, serving as the basis for integrating the cash relationship between the disbursing accounts and the account of the Treasurer of the United States.

(b) Amounts of vouchers paid which are for credit, in whole or in part, to receipt accounts will be picked up as receipts in the disbursing accounts without drawing checks on the Treasurer for deposit into the Treasury, in the manner presently applicable to voucher deductions which represent repayments to appropriations or funds.

8. With respect to expenditure transfers between accounts within the Government, which affect two different disbursing stations (of the same or different disbursing agencies), procedures will be established whereby the intra-Government transfers will be coordinated by use of a transit account through central accounting processes. Certain exceptions to this procedure may be necessary with respect to unusual transactions. Such transit account procedure would be established with a view to:

(a) Recording the intra-Government transaction (1) as a disbursement in the accounts of the disbursing station concerned, without the drawing of a check on the Treasurer; and (2) as a corresponding receipt or repayment in the accounts of the appropriate disbursing station, without deposit action; and

(b) Disclosing through the central transit account the total credits for intra-Government transfers which may not have been recorded in the accounts of the disbursing stations concerned as of the close of the same accounting period in which the corresponding charges were recorded.

9. The integration between the central accounting of the Treasury and the accounting of the various administrative agencies, for each appropriation, fund, and receipt account as a whole, will be on the basis of: (a) Appropriation warrants and related transfers; and (b) summarizations of the receipts and disbursements supporting the official accounts of the related disbursing offices or of the disbursing agency as a whole.

(a) The accounts which are maintained on the books of the fiscal offices of administrative agencies to control the amount of vouchers to be authorized for payment, according to individual appropriations and funds, will be integrated with the official accounts rendered by the related disbursing offices on the basis of the classified receipt and disbursement transactions for the period which support such accounts and which, in turn, are summarized for the central accounts.

(b) Since the statements of transactions supporting the official accounts rendered by disbursing officers will include receipts, according to individual receipt accounts, the integration between such accounts and the receipt accounts of the administrative agency fiscal offices will be on the same basis as the integration for appropriations and funds.

(c) Amounts of receipts, as well as repayments, which are included in the statements of transactions on the basis of certificates of deposit, will be supported by lists identifying the underlying certificates.

(d) In view of the foregoing, the departmental deposit lists and fiscal officers' registers of deposits presently issued on the basis of Form 201 deposits cleared centrally in the Treasury will be discontinued.

10. Cash collections will be recorded in the official accounts of disbursing offices on the basis of: (a) Collections received, where disbursing officers handle collections; or (b) confirmed deposits in the account of the Treasurer of the United States, where collections are deposited directly in Federal depositaries by the collecting administrative agencies.

(a) Amounts of collections received by disbursing offices will be charged to the appropriate cash account representing the increase in the officer's accountability and correspondingly credited as a receipt or repayment. Accountability for such cash will be decreased by amounts of: (1) Deposits in the Treasurer's account; or (2) cash disbursements made, if the disbursing officer is authorized to hold collections as disbursing cash.

(b) Amounts of collections deposited by collecting agencies directly in Federal depositaries, on the basis of confirmed certificates of deposit, will be recorded in the accounts of the related disbursing offices as receipts or repayments and correspondingly charged to the account representing deposits in the Treasurer's account.

III. ISSUANCE OF INSTRUCTIONS

Regulations of the Treasury Department within the framework of this statement will be issued by the Fiscal Assistant Secretary of the Treasury. Any questions concerning the plans discussed herein should be directed to the Bureau of Accounts.

G. M. Humphrey,
Secretary of the Treasury.

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## Exhibit 73.--Regulations governing the direct deposit of collections by certain departments and agencies

[Department Circular No. 937. Accounts]

Treasury Department,
Washington, January 18, 1954.

To Heads of Government Departments and Agencies and Others Concerned:

1. Purpose.--This circular establishes certain uniform requirements regarding the making of deposits directly in Federal depositaries by all departments and agencies whose collections affect accounts current of the Division of Disbursement, Treasury Department.

2. General.--By special arrangement with the Chief Disbursing Officer, Treasury Department, in recent years, an increasing number of deposits have been made directly with Federal depositaries by the departments and agencies receiving the collections (hereinafter called administrative agencies). Many collections, however, are still being transmitted by the collecting administrative agencies to the respective disbursing offices of the Division of Disbursement for the making of deposits through the facilities

of such disbursing offices. The Treasury Department and the General Accounting Office, jointly, have determined that the direct deposit practice shall be extended during the current fiscal year to apply to all administrative agencies concerned. Arrangements to this end will be made with each administrative agency by the Bureau of Accounts, Treasury Department, jointly with the General Accounting Office, and the provisions of this circular will become effective for each administrative agency when such arrangements have been made.

3. Existing regulations to be observed.--Advice and assistance of Treasury disbursing officers regarding technical requirements for making deposits is available to all administrative agencies concerned. These technical requirements are contained in regulations of the Treasury Department which are cited below for convenient reference.

(a) Department Circular No. 176, Revised December 21, 1945, and amendments thereto.--Sections 2 through 10 of the circular are for special attention of depositors of public moneys, covering such matters as: (1) Where deposits shall be made; (2) general requirements regarding certificates of deposit and records of items deposited; (3) indorsement and transmission of checks; and (4) uncollectible items.

(b) Department Circular No. 772, dated April 14, 1945.--Among other matters, this circular prescribes the sorting arrangement of items comprising a deposit with a Federal Reserve Bank or branch.

(c) Department Circular No. 12, Revised April 23, 1929.--The first supplement to this circular, dated October 4, 1949, pertains to the use of Certificate of Deposit, Standard Form No. 201; the fourth supplement, dated September 20, 1951, deals with the use of Certificate of Deposit, Standard Form No. 209.

4. Account classification of certificates of deposit.--It is essential that depositing agencies pay particular attention to the distinction between the two certificates of deposit forms which will continue to be required under the existing account structure and which will be prepared to show amounts credited according to appropriations, funds, and receipt accounts as outlined below.

(a) Standard Form No. 209 (Exhibit 1).--This certificate of deposit is to be used only for collections credited directly to general, special, and trust fund appropriations and deposit funds; that is, amounts of repayments and available receipts for credit to disbursing officers' checking accounts.

(1) Spaces provided on the face of the form are self-explanatory except for the space regarding accounts to be credited. In this connection, the depositing agency will show on the line under "On account of" a breakdown of the deposit according to each appropriation or deposit fund symbol involved, the total of which must agree with the total of the deposit. When space provided is not sufficient, the words "See reverse" will be typed on the face of the form and the breakdown shown on the reverse.

(2) Amounts of repayments and available receipts may be included in the same certificate of deposit; however, amounts of available receipts will be identified on the face of the form, if used, by the letters A/R; when the reverse side is used, available receipts will be shown in a separate column from repayments.

(b) Standard Form No. 201 (Exhibit 2).--This certificate of deposit is to be used for collections credited to only receipt accounts (miscellaneous, special fund and trust fund receipts); that is, amounts of unavailable receipts for covering into the Treasury. The usual classification of the deposit according to individual receipt symbol will be shown in the space provided on the face of the form, the aggregate of which must agree with the total amount of deposit.

5. Uncollectible items.--Technical requirements regarding uncollectible checks are set forth in Section 9 of Department Circular No. 176. The highlights of these requirements are outlined below, particularly from the standpoint of the distinction between those uncollectible checks which relate to Standard Form 209 certificates and those pertaining to Standard Form 201 certificates.

(a) Procedure of depositaries.--(1) The depositary bank executes a debit voucher (Treasury Form 5504) showing (a) the name and address of the depositor; (b) the number, confirmation date, and total amount of the certificate of deposit in which the un-

collectible item was originally deposited; (c) the receipt account classification of the original deposit in the case of a Form 201 item, or the disbursing officer's checking account in the case of a Form 209 item; and (d) the amount of the uncollectible item.

(2) More than one uncollectible item may be included in the same debit voucher; however, the checks must pertain to the same depositor and the same type of certificate of deposit form. Accordingly, checks deposited on Form 209 certificates and on Form 201 certificates which become uncollectible, are not included in the same debit voucher.

(3) For debit vouchers relating to Form 209 certificates (Exhibit 3), the disbursing officer's symbol is inserted in the second block provided for "Classification of Deposit" on the form. For debit vouchers relating to Form 201 certificates (Exhibit 4), the receipt account symbol is shown in the first classification block. When the depositary cannot determine the receipt symbol to be charged, because two or more receipt accounts were credited on the related Form 201 certificate, or otherwise, the depositing agency is required to furnish the necessary information under the procedure outlined below.

(b) Procedure of depositing agency.--(1) Upon receipt from the depositary of the duplicate and triplicate copies of the debit voucher, together with the related uncollectible check(s), the depositing agency will (a) immediately review the data on the form; (b) make any necessary corrections on the duplicate and triplicate copies; (c) sign the triplicate on the line provided on the reverse of the form; and (d) return the triplicate to the depositary.

(2) In connection with item (b) regarding corrections, the depositing agency, when necessary, will insert the proper receipt symbol on both the duplicate and triplicate copies of a debit voucher relating to a Form 201 deposit. The proper appropriation or fund symbol will be inserted on only the duplicate copy of a debit voucher relating to a Form 209 deposit. Such information will not be shown on the triplicate copy returned to the depositary.

(3) The depositing agency may be requested by the depositary to prepare a full set of the debit voucher upon return of the unpaid check. In such event, the full set of the form is required to be delivered to the depositary for execution and for return to the depositor of the duplicate and triplicate copies. The triplicate should then be signed by the depositor and returned to the depositary.

6. Use of confirmed certificates of deposit for disbursing officers' accounts current.--Amounts of repayments and available receipts for credit to appropriations and funds, and amounts of unavailable receipts for covering into the Treasury will be accounted for by disbursing offices of the Division of Disbursement and included in the respective accounts current on the basis of copies of confirmed certificates of deposit and debit vouchers for uncollectible checks to be furnished by the related depositing agencies. To this end, immediately upon receiving these documents from the depositary, the depositing agency will transmit the copies hereinafter specified to the disbursing office with which it has an account current relationship. The General Accounting Office joins in stressing the importance of prompt transmission of such documents to the disbursing offices in order that unnecessary differences as of the close of an accounting period may be avoided in connection with the integration of administrative accounts and related accounts current, and with respect to the reconciliation of disbursing officers' checking accounts.

(a) Certificate of deposit, Standard Form No. 209.--The depositing agency will submit the confirmed duplicate (green) and triplicate (white) copies of this form to the Treasury disbursing office and will retain the confirmed quadruplicate. The duplicate copy will be returned to the depositing agency, showing the period of account in which taken up by the Treasury disbursing office. The triplicate will be retained in support of the disbursing officer's checking account and the credits to the appropriation or fund accounts.

(b) Uncollectible items pertaining to certificate of deposit, Standard Form No. 209.--In those instances when items deposited on Form 209 become uncollectible, the de-

positing agency should prepare a separate schedule for each debit voucher received from the depositary. The schedule, as a minimum, should cite (1) the debit voucher by date, (2) the disbursing officer's symbol, (3) the total amount charged and a classification according to appropriation or fund symbol, with the designation "Available Receipts" where applicable. The form to be used for this purpose may be either Treasury Form RO 188 (Schedule of Uncollectible Checks) or Standard Form No. 1044 (Schedule of Collections) with the title of the form changed to read "Schedule of Uncollectible Checks." The signed original of the schedule of uncollectible checks and the duplicate copy of the debit voucher received from the depositary will be submitted to the Treasury disbursing office and a copy of the schedule retained by the depositing agency. The original of the schedule will be returned to the depositing agency, showing the period of account in which taken up by the Treasury disbursing office. The debit voucher copy will be retained in support of the disbursing officer's checking account and the charge to the appropriation or fund account.

(c) Certificate of deposit, Standard Form No. 201.--The depositing agency will submit the confirmed triplicate (white) copy of this form to the Treasury disbursing office and will retain the confirmed quadruplicate. The monthly listing on Treasury Form 1675 showing certificate of deposit date, deposit number, and amount of deposit will continue to be prepared by the Treasury disbursing office in support of the miscellaneous collections reported on the account current statement.

(d) Uncollectible items pertaining to certificate of deposit, Standard Form No. 201.--In those instances when items deposited on Form 201 become uncollectible, the depositing agency should prepare, for its own records only, a separate schedule for each debit voucher in the same manner as described in subparagraph (b) above. The duplicate copy of the debit voucher will be submitted to the Treasury disbursing office. The amounts of uncollectible Form 201 items will be itemized separately on the monthly Treasury Form 1675 prepared for miscellaneous collection items referred to above.

7. Collection schedules no longer required for the processes of disbursing offices of the Division of Disbursement.--Effective with the submission of confirmed copies of certificates of deposit and debit vouchers for uncollectible checks, classified according to accounts as provided in this circular, collection schedules (e. g., Standard Forms No. 1044 and 1159) will no longer be needed for the disbursing and related accounting processes of the Division of Disbursement. In this connection, the Treasury Department and the General Accounting Office have agreed that copies of the confirmed certificates of deposit, in lieu of collection schedules, should be assembled by the collecting agencies to support the respective accounts current.

8. Departmental deposit lists of receipts covered into the Treasury.--Administrative agencies will continue to receive periodic departmental deposit lists of unavailable receipts covered into the Treasury on the basis of original certificates of deposit received in the Treasury Department from the depositaries.

E. F. Bartelt,
Fiscal Assistant Secretary.

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## Exhibit 74.--Regulations governing the purchase, custody, transfer, and sale of foreign exchange by executive departments and agencies

[Department Circular No. 930. Accounts]

TREASURY DEPARTMENT,
Washington, October 19, 1953.

To Heads of Executive Departments and Agencies and Others Concerned:

281.1 Authority.--By virtue of the authority vested in the Secretary of the Treasury by Executive Order No. 10488, dated September 23, 1953, 18 F.R. 5699, the following

regulations are prescribed for administration of the purchase, custody, transfer, and sale of foreign exchange (including credits and currencies) by executive departments and agencies of the United States.

281.2 Transfer of unexpended balances.--All foreign exchange held by any accountable officer (and his agents) at the close of business November 30, 1953, for the account of any department or agency, except foreign exchange purchased with dollars, shall be transferred on the books of the accountable officer to a new account classification entitled "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)." All foreign exchange under this classification shall be held by the accountable officer for account of the Secretary of the Treasury, subject to disposition as directed by the Secretary. The accountable officer shall maintain classifications by source, indicating the miscellaneous receipt accounts or other accounts in the Treasury which should be credited with dollar proceeds from sale of the foreign exchange, and such further classifications as may be needed to indicate exchange which can be used only for restricted purposes.

281.3 Collections.--Foreign exchange collected by departments and agencies shall be delivered promptly into the custody of accountable officers for credit to account "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)", unless otherwise directed by the Secretary of the Treasury. The term "collections," for the purpose of these regulations, shall not include foreign exchange acquired by the United States Government by purchase with dollars. Accountable officers shall be advised of the source of collections and any restrictions on the use of the foreign exchange in order that the classifications by source, required by section 281.2, may be maintained.

281.4 Guaranty funds.--The provisions of these regulations shall be applicable to all foreign exchange acquired by the United States Government under guaranty provisions of Section 111 (b) (3) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. Sup. V, 1509 (b) (3) except that receipts of such foreign exchange shall be deposited in the foreign exchange accounts of the Treasurer of the United States referred to in section 281.5 (c).

281.5 Depositaries.--The following requirements shall be observed with respect to the use of depositaries:

(a) Except as provided in subsection (b) of this section, foreign exchange which is held by accountable officers for account of the Secretary of the Treasury, and also foreign exchange acquired by accountable officers by purchase or otherwise which is not immediately disbursed but is held by such officers for their own account or for the account of any department or agency, shall be maintained only in depositaries designated by the Secretary of the Treasury. Unless directed by the Secretary of the Treasury, it is not required that accountable officers maintain separate depositary accounts for the foreign exchange they hold for account of the Secretary.

(b) Accountable officers may carry foreign exchange as cash outside of depositaries only pursuant to authority heretofore or hereafter granted in accordance with the provisions of Treasury Department Circular No. 195 (31 CFR 208).

(c) Foreign exchange accounts which are now maintained with depositaries, in the name of the Treasurer of the United States, shall not be subject to the provisions of section 281.2. Deposits in and withdrawals from these accounts will be made only as directed by the Secretary of the Treasury.

281.6 Withdrawals from Treasury accounts.--Foreign exchange shall be withdrawn from account "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)" on the books of accountable officers or from the foreign exchange accounts carried with depositaries in the name of the Treasurer of the United States, only for the purpose of (a) sale for dollars or (b) requisition by departments and agencies for authorized purposes, without reimbursement to the Treasury as provided by or pursuant to law. Such withdrawals, as well as transfers between foreign exchange accounts of the Secretary of the Treasury and the Treasurer of the United States, shall be made only by direction of the Secretary of the Treasury. A department or agency

requiring foreign exchange from the Treasury Department shall make request to the Secretary of the Treasury, indicating the amount of exchange required (in units of foreign currency) and the name and location of the accountable officer to receive the exchange. To the extent practicable and desirable, standing authorizations will be given for withdrawals from account "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)." The following conditions shall apply to the sale of exchange and to the requisition of exchange without dollar payment:

(a) Sales.--With respect to the sale of foreign exchange by the Treasury Department, the amount of payment in dollars shall be calculated at the rate of exchange that would otherwise be available to the Government of the United States for the acquisition of the foreign exchange for its official disbursements. When the rate at which exchange would be available to the United States Government is not readily ascertainable, the Treasury will determine such rate in consultation with the agencies concerned. The dollar proceeds realized from the sale of exchange shall be credited to the appropriate miscellaneous receipt account or other account in the Treasury.

(b) Requisitions.--When foreign exchange is to be obtained from the Treasury Department without payment of dollars, the department or agency concerned shall furnish written certification that the exchange may be used without reimbursement to the Treasury and citation of the relevant statutory or other legal authority.

281.7 Limitations.--The following limitations shall apply to the purchase and holding of foreign exchange:

(a) Unless authorized by the Secretary of the Treasury, no department or agency or accountable officer shall purchase, or direct the purchase of, foreign exchange from any source outside the Government of the United States other than to the extent that exchange for the purpose intended is not available for purchase from the Treasury Department.

(b) All foreign exchange acquired by departments and agencies by requisition from the Treasury Department, without payment of dollars, for the purpose of making authorized expenditures, shall be placed with accountable officers for account of the departments or agencies concerned.

(c) Unless authorized by the Secretary of the Treasury, no accountable officer shall purchase foreign exchange which, together with the balance on hand at the time of purchase, would exceed estimated requirements for a thirty-day period.

(d) Departments and agencies shall return promptly to accountable officers, for credit to account "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)," any amounts of foreign exchange obtained without purchase with dollars, which are determined by the departments and agencies concerned to be excess to their needs.

281.8 Reports.--Each accountable officer shall furnish a report, in duplicate, forwarded by airmail direct to the Fiscal Assistant Secretary of the Treasury, Washington 25, D. C., showing, in units of foreign currency, (a) the opening balances transferred to the general classification "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)" according to the individual classifications by source referred to in section 281.2 and indicating the name and location of the depositary in which the foreign exchange is on deposit and (b) amounts withdrawn therefrom simultaneously at date of transfer, on prior authorization, for the payment of unliquidated obligations incurred prior to July 1, 1953, and for any other payments not requiring deposit of dollars into the Treasury. The Treasury Department shall be furnished such other reports and information as may be required for the purpose of these regulations from each department or agency which collects foreign exchange in behalf of the Government of the United States, or which acquires exchange for the purpose of making authorized expenditures; and from each accountable officer who holds foreign exchange for account of the Secretary of the Treasury.

281.9 General provisions.--The following are general provisions applicable under these regulations:

(a) There is hereby revoked Central Reporting Regulation No. 1, dated June 27, 1951, requiring reports on foreign currencies which are and can be acquired without payment of dollars.

(b) Nothing contained in this circular shall be construed as having the effect of superseding or amending the provisions of any regulations issued or approved by the Secretary of the Treasury pursuant to the act of December 23, 1944, as amended (67 Stat. 61).

(c) The Secretary of the Treasury may waive, withdraw, or amend at any time or from time to time any or all of the provisions of the regulations of this circular.

(d) All communications pertaining to the administration of these regulations shall be directed to the Fiscal Assistant Secretary of the Treasury.

(e) The provisions of this circular shall be effective December 1, 1953.

George M. Humphrey,
Secretary of the Treasury,

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## Exhibit 75.--Regulations for the administration of foreign currencies and credits under disposition of surplus property abroad and lend-lease settlements

[Department Circular No. 799, Revised. Accounts]

TREASURY DEPARTMENT,
Washington, October 19, 1954.

280.1 Authority.--By virtue of the authority vested in the Secretary of the Treasury under Section 32 (b) (1) of the Surplus Property Act of 1944 (58 Stat. 782; 50 U. S. C. App. 1641), as amended (Pub. Law 584, 79th Congress), the following regulation is hereby prescribed for the administration of foreign currencies or credits acquired by the Department of State from the disposal of United States Government surplus property located outside the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, and, under Executive Order No. 9726 (May 18, 1946, 11 F.R. 5437), this regulation is also prescribed for the accountability for funds payable under lend-lease settlements in accordance with the act of March 11, 1941 (55 Stat. 31; 22 U. S. C. 412) as amended.

280.2 Scope of this circular.--This circular applies to the administration of the obligations owing to the Government of the United States under agreements for the sale of surplus property located abroad and lend-lease settlements (hereinafter referred to as "agreements and settlements"), in so far as they are expressed in United States dollars or in foreign currencies, and the foreign currencies which the Government of the United States has acquired or may acquire from the disposal of surplus property located abroad or from lend-lease settlements. This circular does not apply in so far as such agreements or settlements relate to the acceptance of property (other than foreign currency) or substantial benefits, or to the discharge of claims whenever the Secretary of State has determined that such considerations are in the interest of the United States.

280.3 Collection of accelerated payments.--(a) Where the agreement or settlement provides that in lieu of deferred payments in United States dollars over a period of time, the Government of the United States may request accelerated payments in foreign currencies, such payments shall be requested only at such times and to the extent necessary in order to procure the foreign currencies required for the lawful discharge of authorized governmental functions or activities of the United States. The acquisition of foreign currencies as accelerated payments should therefore not be greater at any one time than the amounts required for governmental purposes over a period ordinarily

not to exceed three months, except where the Secretary of the Treasury, upon the advice of the Director of the Bureau of the Budget, shall provide otherwise.

(b) In cases where the Secretary of the Treasury informs the Secretary of State that the Government of the United States has substantial holdings of a particular foreign currency, no accelerated payments in such currencies shall be requested until such holdings shall have been used or committed.

(c) In cases where the Secretary of the Treasury informs the Secretary of State that any department or agency of the Government of the United States has need for a particular foreign currency and can make United States dollar payments therefor, he may advise the Secretary of State to request the foreign government concerned to make accelerated payments in its local currency in the amounts necessary and up to the extent authorized under the terms of the agreement or settlement, and within the framework of the foreign financial policy of the United States.

280.4 Waiver, withdrawal, or amendment.--The Secretary of the Treasury may waive, withdraw, or amend at any time or from time to time any or all of the provisions of the regulations in this circular.

George M. Humphrey,
Secretary of the Treasury.

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## Exhibit 76.--Regulations governing deposit of public moneys and payment of Government checks

[Department Circular No. 176 (Revised), Seventh Amendment, Accounts]

TREASURY DEPARTMENT,
Washington, April 26, 1954.

To the Treasurer of the United States, Federal Reserve Banks and Branches, Depositaries and Financial Agents of the Government, Officers, Agents, or Employees of the United States engaged in collecting, depositing, or transmitting public moneys, and Others Concerned:

Treasury Department Circular No. 176 (Revised), dated December 21, 1945, as amended, is hereby further amended as follows:

1. By deleting the first sentence of subparagraph (d) Disposition of original and copies under Section 6. Certificates of Deposit, and substituting in lieu thereof the following: "The original of each certificate of deposit shall be transmitted at the close of business on the day it is receieved by a general depositary to the Federal Reserve Bank or branch of the district in which the depositary is located, under cover of the prescribed transcript on which the credit appears. Federal Reserve Banks will prepare a consolidated transcript of transactions with general depositaries in its district and transmit the original certificates of deposit to the Treasurer of the United States under cover of such consolidated transcript. The original of each certificate of deposit received directly from depositors by Federal Reserve Banks shall be transmitted to the Treasurer of the United States by the Federal Reserve Bank with its own separate transcript of the Treasurer's account on which the credit appears. Federal Reserve Banks may be authorized by the Treasury Department to transmit certain original certificates of deposit and other documents to specified Treasury offices other than the Office of the Treasurer of the United States."

2. By revising Section 18. Uncollected and lost checks in connection with deposits for credit to the account of the Treasurer of the United States to read as follows: "The procedure set forth in section 12 hereof (except subsections (c), (i) and (j)) shall apply in the event checks, drafts or other items included in deposits with active general depositaries are uncollectible or lost. In lieu of following the procedure set forth in

subsection (c), the depositary shall transmit on the date the charge is made in the Treasurer's account the original of each executed Form 5504 (Revised)--Debit Voucher to the Federal Reserve Bank or branch of the district in which the depositary is located, under cover of the prescribed transcript on which the debit appears. All other copies in the set will be distributed in accordance with instructions appearing on the face thereof."

3. By deleting Section 19. Excess balances and substituting in lieu thereof the following: "Section 19. Transfer of Net Receipts.--Each general depositary shall forward at the close of business each day on which there are transactions in the Treasurer's General Account, to the Federal Reserve Bank or branch of the district in which the depositary is located, the net amount of the day's transactions in funds available for immediate credit to the Treasurer's account by such Federal Reserve Bank or branch, under cover of the prescribed transcript on which the transactions appear."

4. By revising Section 21. Cashing and handling of checks drawn on the Treasurer of the United States to read as follows: "Active general depositaries shall not charge any Government checks in the Treasurer's general account maintained on their books and shall handle them as follows:

"(a) Government checks (1) issued for the purpose of transferring funds from one disbursing officer to another, or from one account of a disbursing officer to another account; or (2) drawn by a disbursing officer for the purpose of depositing the amounts of such Government checks to the credit of the Treasurer of the United States; which are received in deposits of Government officers, shall be appropriately endorsed and used by depositaries as part or full payment in remitting the net amount of the day's transactions to the Federal Reserve Bank or branch of the district in which the depositary is located, without charging such checks in the Treasurer's general account. This will be accomplished by listing the checks in the prescribed transcript and forwarding them, together with the related certificates of deposit included in the transcript to the Federal Reserve Bank or branch, in part or full payment of the net amount of the day's transactions. In effect, this will permit depositaries to receive immediate credit for these specific Government checks without charging them in the Treasurer's general account.

"(b) Government checks which are presented by disbursing officers in exchange for cash should be handled outside of the Treasurer's general account through normal channels. The Treasurer of the United States, upon special request, will advise active general depositaries as to whether the balances to the credit of the disbursing officers are sufficient for the payment of the checks presented. In those cases in which active general depositaries deem it necessary to obtain immediate credit for such Government checks, the procedure outlined in Section 22 hereof may be followed.

"(c) All other Government checks shall be handled outside of the Treasurer's general account through normal channels.

Shipments of Government checks to Federal Reserve Banks and branches under cover of the prescribed transcript, as described herein, will be covered under the Government Losses in Shipment Act, provided the depositary retains copies of the transcripts containing a description of the checks."

5. By deleting Section 22. Restoration of depleted balances and substituting in lieu thereof the following: "Section 22. Obtaining immediate credit for Government checks presented by disbursing officers in exchange for cash.--In those cases in which active general depositaries deem it necessary to obtain immediate credit for Government checks presented by disbursing officers in exchange for cash, the following procedure may be followed: The depositary may request the Treasurer of the United States by wire (prepaid), stating the check number, symbol number, and amount of the check to place to the credit of the depositary an amount equal to the amount of the check. The Treasurer of the United States will place the funds to the credit of the depositary by either of the following methods, as may be requested by the depositary, by directing the appropriate Federal Reserve Bank by wire to credit (1) the depositary bank's reserve account, or (2) a correspondent bank in any city where a Federal Reserve

Bank is located, for the account of the depositary bank. Immediately upon directing such transfer, the Treasurer will advise the depositary bank by wire (prepaid), and the depositary will take up the amount on the same date as a credit to the Treasurer's general account on its books. The check presented by the disbursing officer will then be used as payment in remitting the amount of the deposit (transfer of funds) to the Federal Reserve Bank, in the manner described in Section 21 hereof."

6. By deleting Section 26. Active general depositaries.--The provisions of this amendment shall apply only to general depositaries and the Federal Reserve Banks and branches located in the forty-eight States and the District of Columbia, and shall become effective upon receipt by the general depositaries and Federal Reserve Banks of specific instructions from the Treasury Department relating thereto.

A. N. Overby,
Acting Secretary of the Treasury.

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# MISCELLANEOUS

## Exhibit 77.--Regulations governing the making of loans to public or private agencies of the United States pursuant to the Refugee Relief Act of 1953

[Department Circular No. 932. Accounts]

TREASURY DEPARTMENT,
Washington, December 1, 1953.

290.0 Authority.--By virtue of the authority vested in the Secretary of the Treasury by Executive Order No. 10487, dated September 16, 1953, and pursuant to the provisions of Section 16 of the Refugee Relief Act of 1953, the following regulations are prescribed for the making of certain loans.

290.1 Scope of regulation.--This regulation applies to the making of loans by the Secretary of the Treasury under Section 16 of the Refugee Relief Act of 1953, Pub. Law 203, 83rd Cong., to public or private agencies of the United States for the purpose of financing the transportation from ports of entry within the United States, to the places of their settlement, of persons receiving immigrant visas under the said act and who lack the resources to finance the expenses involved.

290.2 Definition of terms.--For the purposes of this regulation:

(a) The word "Secretary" refers to the Secretary of the Treasury or his designee.

(b) The word "Act" refers to the Refugee Relief Act of 1953, approved August 7, 1953, Public Law 203, 83rd Congress.

(c) The term "public agency" shall mean any executive department or agency of the United States or of any State of the United States, or municipality of such State.

(d) The term "private agency" shall mean a corporation or association organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, no part of the net earnings of which inures to the benefit of a private shareholder or individual, and no substantial part of the activities of which is carried on for propaganda or otherwise attempting to influence legislation.

290.3 Applications.--Public or private agencies shall make application for loans on forms prescribed by the Secretary which may be obtained from the Fiscal Service, Bureau of Accounts, Treasury Department, Washington, D. C.

290.4 Requirements.--In order for an application to be given favorable consideration, the applying agency shall not be in default in the payment of any loan made to it pursuant to the provisions of the Displaced Persons Act of 1948, as amended, and shall

(a) establish to the satisfaction of the Secretary that it has authority to borrow money under its charter, articles of incorporation, or other enabling document for the purpose described in Section 16 of the refugee Relief Act of 1953 and that the person acting for it in this regard has the authority so to act;

(b) set forth the manner and terms in which it proposes to repay the loan requested, if granted;

(c) establish to the satisfaction of the Secretary that there is reasonable assurance the amount of the loan requested will be repaid.

290.5 Terms and conditions of loans.--In cases where applications for loans are approved, the applying agency shall

(a) execute a promissory note in such form and with such terms and conditions as the Secretary may deem appropriate; and

(b) execute an agreement containing the following and such other provisions as the Secretary may require:

(1) All funds loaned to it will be used exclusively for the purpose of financing the transportation from ports of entry within the United States, to the places of their resettlement, of persons receiving immigrant visas under the act, and who lack resources to finance the expenses involved.

(2) A bank account or bank accounts for the borrowed funds will be established and maintained by the agency separately from other funds of the agency.

(3) Promissory notes will be obtained from the sponsor or the immigrant and held in trust for the Secretary as security for loans made to the agency.

(4) No interest, service or other charges will be made upon the sponsor or immigrant for the use of any funds made available under the act.

(5) Adequate books and records relating to the funds borrowed from the Secretary and loans made therefrom shall be maintained and shall be available for inspection during the life of the loan obtained from the Secretary.

(6) Reports will be made to the Secretary for such periods and in such form as he may prescribe of the balances available in and the sums disbursed from the accounts referred to in subparagraph (b) (2) of this section, the number of immigrants served by the borrowed funds, the recoveries on loans made, and such other information as the Secretary may require.

(7) All recoveries by the agency of advances to sponsors or immigrants out of funds borrowed from the Secretary shall be deposited in the special accounts referred to in subparagraphs (b) (2) of the section, and shall be used only for the repayment of any unpaid balance of such loan or interest thereon so long as any such balance remains outstanding.

(8) If, in the judgment of the Secretary, there has been an improper use or other misapplication of the borrowed funds, or the agency has failed to meet the requirements of the act or these regulations, or any terms of the loan agreement, the loan or any unpaid balance due thereon, upon written notice by the Secretary to the agency, shall become due and payable immediately.

290.6 Repayments.--Repayments shall be made by check, draft, or money order drawn in favor of the Treasurer of the United States and forwarded to the Fiscal Service, Bureau of Accounts, Treasury Department, Washington, D. C., with an appropriate letter of transmittal identifying the loan to which such repayment applies.

290.7 Reservations.--(a) The Secretary may, in his discretion, reject in whole or in part any application of a public or private agency for a loan under the provisions of this part.

(b) Any determination by the Secretary that a corporation or association is a private agency for the purposes of these regulations shall not be construed in any manner as determining the status of such corporation or association under the provisions of the Internal Revenue Code.

(c) The Secretary may waive, withdraw, or amend at any time or from time to time any or all of the provisions of these regulations.

M. B. Folsom,
Acting Secretary of the Treasury.

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## Exhibit 78.--Letter of the Postmaster General to the Secretary of the Treasury certifying extraordinary expenditures contributing to the deficiencies of postal revenue for the fiscal year 1954

Washington, D. C., November 23, 1954.

The Honorable the Secretary of the Treasury.

Dear Mr. Secretary: Pursuant to the provisions of the act of June 9, 1930, Title 39, U.S.C. 793, the amounts set forth below with respect to certain mailings during the fiscal year ended June 30, 1954, as determined under our present system of estimating, are certified to you in order that they may be separately classified on the books of the Treasury Department:

(a) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by officers of the Government (other than those of the Post Office Department) under the penalty privilege, including registry fees:

| | | |
|---|---|---|
| Postage | $38,543,793 | |
| Registry fees, including surcharges | 37,300,000 | |
| Total | | $75,843,793 |

Under Public Law 286, effective August 15, 1953, payment of postage on penalty mail is required of departments and agencies of the Government, except the Post Office Department and certain minor agencies specifically exempted. The potential postage is based on amounts paid for the period August 16, 1953, through June 30, 1954, plus the estimated amounts that would have been collected on the same basis for the period July 1 through August 15, 1953, and for exempt agencies throughout the year. A number of departments and agencies have elected to prepay postage on their mail, thus removing it from the category of penalty mail.

(b) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by:

| | | |
|---|---|---|
| 1. Members of Congress under the franking privilege | $2,181,080 | |
| 2. By others under the franking privilege | 153,837 | |
| Total | | $2,334,917 |

| | |
|---|---|
| (c) The estimated amount which would have been collected during the year at regular rates of postage on publications going free in the county | 840,000 |
| (d) The estimated amount which would have been collected at regular rates of postage on matter mailed free to the blind during the year | [1] 681,000 |

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[1]Revenue differential from regular rates based on handling costs. Under the system of estimating used prior to 1953 the estimated revenue differential was based on the special rate of 1 cent per pound charged on certain matter for the blind handled in the mails. The revenue differential from this special rate would amount to $199,000.

| | |
|---|---|
| (e) The estimated difference between the postage revenue collected during the year on mailings of newspapers and periodicals published by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, and fraternal organizations, and that which would have been collected at zone rates of postage | $1,511,000 |
| (f) The estimated excess during the year of the cost of aircraft service over the postage revenues derived from air mail | ([2]) |
| Grand total | 81,210,710 |

[2] The transfer of subsidy payments to airlines to the Civil Aeronautics Board under the provisions of Reorganization Plan No. 10 effective October 1, 1953, has materially reduced the cost of aircraft service to the Post Office Department and postage revenues from air mail now exceed the cost of aircraft service.

Sincerely yours,
Arthur E. Summerfield,
Postmaster General.

# TABLES

NOTE.--In tables where figures have been rounded to a specified unit and where calculations have been made from unrounded figures, the details may not check to the totals shown.

# BASES OF TABLES

Figures in the tables of this section of the report are shown on various bases, as follows: (1) daily Treasury statements; (2) monthly statements of receipts and expenditures; (3) receipts, warrants issued; (4) receipts, collection basis; (5) expenditures, warrants issued; and (6) Public Debt accounts.

## Daily Treasury statements

The "Daily Statement of the United States Treasury" was revised effective February 17, 1954, from a statement of classified receipts and expenditures, based on daily reports of transactions, to a statement of cash deposits and withdrawals affecting the account of the Treasurer of the United States. The statement presents the Government's cash condition. Reporting of deposit transactions in the daily Treasury statement is on the basis of certificates of deposits and expenditure transactions are reported on the basis of checks paid, as shown in the account of the Treasurer of the United States. Significant financial transactions of interfund or intragovernmental nature are eliminated from figures in this statement. In order to classify transactions currently, certain figures are included in the statement on the basis of telegraphic reports from Federal Reserve Banks and mail reports from Treasury disbursing officers. Treasury balances on deposit in Federal Reserve Banks and in tax and loan accounts in commercial banks are also reported by telegraph. A clearing account for checks outstanding and telegraphic reports is used in connection with these transactions.

The reporting and classification of activities in budgetary and nonbudgetary categories, and the budget surplus or deficit for a period, formerly published in the daily Treasury statements, are now included in the "Monthly Statement of Receipts and Expenditures of the United States Government."

## "Monthly Statement of Receipts and Expenditures of the United States Government"

The figures published in this statement are based upon reports received from all Government collecting and disbursing agencies and the Treasurer of the United States. Receipts of taxes and customs duties are reported on a collection basis, while other receipts are stated on a deposit basis, and expenditures are reported on the basis of checks issued or cash payments made by disbursing officers. This statement contains all receipts and expenditures of the Government, including those of agencies which maintain cash accounts outside the United States Treasury. It also includes trust and deposit accounts. In the interest of publishing timely data, the inclusion of certain data, such as overseas accounts, may be delayed in the monthly statements during the fiscal year. There are no such omissions, however, in the final statement published after the close of a fiscal year.

Starting with the issue for February 1954, this monthly statement is the medium for reporting budget results that heretofore were shown in the daily Treasury statement. The change in Treasury reporting, as explained in the announcement dated February 17, 1954 (see exhibit 70), did not affect the concept as to what is included in the administrative budget, but was a change to secure greater consistency in the manner of reporting.

## Receipts, warrants issued

Information on a warrant-issue basis applies to figures prior to 1916. Section 305 of the Revised Statutes provides that receipts for all moneys received by the Treasurer of the United States shall be endorsed upon warrants signed by the Secretary of the Treasury, without which warrants, so signed, no acknowledgment for money received into the public Treasury shall be valid.

Certificates of deposit covering actual deposits in Treasury offices and depositaries, upon which coverings were based, could not reach the Treasury simultaneously, and for that reason all receipts for a fiscal year were covered into the Treasury immediately upon the close of that fiscal year. It was necessary to have all certificates of deposit before a statement could be issued showing the total receipts for a particular fiscal year on a covered basis. The figures thus compiled and contained in such a statement were on a warrants-issued basis. Table 2 for years prior to 1916 shows receipts on this basis.

Section 115 of Public Law 784, 81st Congress, approved September 12, 1950, modified Section 305 of the Revised Statutes by authorizing the Secretary of the Treasury and the Comptroller General of the United States, under certain conditions, to issue joint regulations waiving the requirement for the issuance and countersignature of warrants for the receipt and disbursement of public money. Pursuant to this authority, joint regulations were issued during the fiscal year 1951 under which all collections representing repayments to appropriations are covered into the Treasury and credited directly to the accounts of disbursing officers without issuing covering warrants. Similar regulations were issued with respect to special fund and trust fund receipts which have been appropriated and are immediately available to the collecting agency.

## Receipts, collection basis

Receipts published on a collection basis are compiled from reports received by the various administrative offices from collecting officers, such as directors of internal revenue and collectors of customs. These reports cover the collections actually made by these officers or deposited directly by taxpayers to the credit of the Treasurer of the United States.

The reports of the collecting officers and the receipts on a covering basis do not coincide because during the last few days of the fiscal year the collecting officers make collections which are not deposited and therefore not covered until after the close of the fiscal year. The receipts are reported on a collection basis to show detailed sources of revenue. Table 10 shows receipts on the basis of reports of directors of internal revenue.

## Expenditures, warrants issued

The Constitution of the United States provides that no money shall be drawn from the Treasury but in consequence of appropriations made by law. Section 305 of the Revised Statutes requires that the Treasurer of the United States shall disburse the moneys of the United States upon warrants drawn by the Secretary of the Treasury.

As far as the appropriation accounts are concerned, before the fiscal year 1916 Treasury reports of expenditures were based on the amount of warrants issued and

charged to the appropriation accounts. Such expenditures necessarily included the balances of funds remaining unexpended to the credit of the disbursing officers at the close of the fiscal year.

As stated in the section on "Receipts, warrants issued," Public Law 784, 81st Congress, approved September 12, 1950, modified the requirement with respect to the use of warrants for the disbursement of public money. During the fiscal year 1951 the Secretary of the Treasury and the Comptroller General of the United States issued joint regulations which authorize the full amount of appropriations, with few exceptions, to be advanced to disbursing officers of the Government simultaneously with the issuance of the appropriation warrants.

### Public Debt accounts

On account of the distance of some Treasury offices and depositaries from the Treasury, it is obvious that the reports from all offices covering a particular day's transactions cannot be received and assembled in the Treasury at one time without delaying for several days the publication of the daily Treasury statement. In order to exhibit the actual public debt receipts and expenditures for any given fiscal year, it is necessary to take into consideration reports covering the transactions toward the end of the fiscal year concerned which have not been received in the Treasury until the succeeding fiscal year, and to eliminate public debt receipts and expenditures relating to the preceding fiscal year. After taking into consideration these reports the revised figures indicate the status of the public debt on the basis of actual transactions during the period under review as reflected by the Public Debt accounts. Some tables are partly or wholly on the basis of Public Debt accounts, such as tables 23 and 29.

## TREASURY FUND STRUCTURE

All receipts of the Government, with a few exceptions, are deposited to the credit of the account of the Treasurer of the United States irrespective of their ultimate disposition or availability for expenditure. However, these receipts are recorded by the Treasury in accounts classified generally according to the source, and according to whether or not the receipts are earmarked in some degree for expenditure.

As was stated in the paragraph on "Expenditures, warrants issued," under the Constitution no money may be withdrawn from the Treasury unless appropriated by the Congress. All disbursements of the Government, with a few exceptions, are made from the general account of the Treasurer of the United States regardless of the source of funds or authority for such disbursements. These disbursements are further classified by accounts reflecting various types of authorizations or conditions under which they may be expended.

A brief description of these various classes of accounts follows:

### Budget accounts

#### Receipts

General fund receipt accounts.--The principal source of general fund receipts is internal revenue collections, which include income taxes, excise taxes, estate, gift, and

employment taxes. In addition, there are also customs duties and a large number of miscellaneous receipts, including such items as proceeds of Government-owned securities (except those which are applicable to public debt retirement), sale of surplus and condemned property, fees (including consular and passport fees), fines, penalties, forfeitures, rentals, royalties, reimbursements, immigration head tax, sale of public land, seigniorage on coinage of subsidiary silver and minor coins, etc.

Special fund receipt accounts (earmarked moneys).--These accounts are credited with receipts which may be expended only for the particular purpose specified by law. The Congress appropriates these receipts for the special purpose involved. Examples of some of the special fund receipts relate to the reclamation fund, the Mineral Leasing Act under the Department of the Interior, and the national forest funds under the Department of Agriculture. Although such receipts are not available for general purposes, they frequently are not segregated in Treasury reports but are classified in summaries with miscellaneous receipts. The expenditures, along with expenditures made from general appropriations, are classified under the agency having jurisdiction. Like general fund receipts and expenditures, these items are included in the totals of budget receipts and expenditures.

## Expenditures

General and special fund appropriation accounts.--These accounts are established to record the amounts authorized by the Congress, and expenditures therefrom, for the general support of the Government or the special purpose involved. Such accounts are classified according to the period of availability (i.e., one-year, multiple-year, no-year), as to amount (definite or indefinite), or whether or not requiring annual appropriation action by the Congress, and are further classified by the agency having authority to enter into obligations and to make expenditures from the accounts.

Revolving and management fund accounts.--These are funds authorized by specific provisions of law to: (a) Finance a continuing cycle of operations with receipts derived from such operations available without further action by Congress; or (b) facilitate accounting for and administration of intragovernmental operations. Treasury reports generally show the net effect of operations in the accounts (excess of expenditures or reimbursements for the period) which affect the budget surplus or deficit. Examples of such accounts include corporate operations such as those under the Export-Import Bank of Washington and the Commodity Credit Corporation and others such as the management funds in the Department of Defense, the general supply fund of the General Services Administration, and the working capital fund of the Public Buildings Service.

Working fund accounts.--Working funds are accounts established to receive (and subsequently disburse) advance payments, pursuant to law, from other agencies or bureaus. "Allocated working funds" are those which receive advance payments from a single appropriation, and carry symbols identified with the parent account. "Consolidated working funds" are those which may receive advances from two or more appropriations.

## Nonbudget accounts

Trust accounts.--These are accounts maintained to record the receipt and expenditure of moneys held in trust by the Government for the benefit of individuals, or classes of individuals, which may be expended only in accordance with the terms of a trust agree-

ment or statute. Unlike the funds in general and special accounts they are not available for general purposes and do not enter into the budget surplus or deficit. Many of the trust funds, especially the major ones, to the extent receipts are not needed for current benefits and other payments, are invested in United States securities. Some of the major trust accounts are the Federal old-age and survivors insurance trust fund, unemployment trust fund, civil service retirement fund, and national service life insurance fund.

Deposit fund accounts.--Deposit funds are established to account for receipts that are either (a) held in suspense temporarily and later refunded or paid into some other fund of the Government, or (b) held by the Government as banker or agent for others and paid out at the direction of the owner. Such funds are not available for paying salaries, expenses, grants, or other expenditures of the Government.

## SUMMARY OF FISCAL

TABLE 1.--Summary of fiscal operations,

[On basis of daily Treasury statements through 1952[1]; thereafter on basis of "Monthly State

| Fiscal year or month | Budget receipts and expenditures | | | Trust account and other transactions, net receipts, or expenditures (-)[4] | Clearing account[5] |
|---|---|---|---|---|---|
| | Net receipts[2] | Expenditures[3] | Surplus, or deficit (-) | | |
| 1932 | $1,923,913,117 | $4,659,202,825 | -$2,735,289,708 | -$5,178,050 | ..... |
| 1933 | 2,021,212,943 | 4,622,865,028 | -2,601,652,085 | -5,009,989 | ..... |
| 1934 | 3,064,267,912 | 6,693,899,854 | -3,629,631,943 | 834,880,108 | ..... |
| 1935 | 3,729,913,845 | 6,520,965,945 | -2,791,052,100 | 402,724,190 | ..... |
| 1936 | 4,068,936,689 | 8,493,485,919 | -4,424,549,230 | 187,063,025 | ..... |
| 1937 | 4,978,600,695 | 7,756,021,409 | -2,777,420,714 | 3,314,169 | ..... |
| 1938 | r 5,615,221,162 | r 6,791,837,760 | -1,176,616,598 | 98,934,030 | ..... |
| 1939 | r 4,996,299,530 | r 8,858,457,570 | -3,862,158,040 | 1,209,673,564 | ..... |
| 1940 | r 5,144,013,044 | r 9,062,032,204 | -3,918,019,161 | 442,538,143 | ..... |
| 1941 | r 7,102,931,383 | r 13,262,203,742 | -6,159,272,358 | 907,790,781 | ..... |
| 1942 | r12,555,436,084 | r 34,045,678,816 | -21,490,242,732 | -1,612,785,695 | ..... |
| 1943 | r 21,986,700,787 | r 79,407,131,152 | -57,420,430,365 | -337,796,138 | ..... |
| 1944 | r 43,635,315,356 | r 95,058,707,898 | -51,423,392,541 | -2,221,918,654 | ..... |
| 1945 | r 44,475,303,665 | r 98,416,219,788 | -53,940,916,126 | 791,293,666 | ..... |
| 1946 | r 39,771,403,710 | r 60,447,574,319 | -20,676,170,609 | -523,587,210 | ..... |
| 1947 | r 39,786,181,036 | r 39,032,393,376 | 753,787,660 | -1,102,524,942 | $554,706,981 |
| 1948[7] | r 41,488,178,842 | r 33,068,708,998 | 8,419,469,844 | -294,342,662 | -507,106,039 |
| 1949[7] | r 37,695,549,449 | r 39,506,989,497 | -1,811,440,048 | -494,733,365 | 366,441,900 |
| 1950 | r 36,494,900,837 | r 39,617,003,195 | -3,122,102,357 | 99,137,360 | 482,656,886 |
| 1951 | r 47,567,613,484 | r 44,057,830,859 | 3,509,782,624 | 679,223,478 | -214,140,135 |
| 1952 | r 61,390,944,552 | r 65,407,584,930 | -4,016,640,378 | 147,077,201 | -401,389,312 |
| 1953 | 64,825,044,026 | 74,274,257,484 | -9,449,213,457 | 434,671,979 | -249,920,729 |
| 1954 | 64,655,386,989 | 67,772,353,245 | -3,116,966,256 | 327,762,083 | -303,126,484 |
| 1953-July | 3,360,421,421 | 5,071,939,689 | -1,711,518,268 | -238,775,528 | -577,533,958 |
| August | 4,377,793,501 | 6,018,070,701 | -1,640,277,199 | 300,886,750 | -263,540,084 |
| September | 5,870,143,908 | 6,021,926,134 | -151,782,225 | 36,384,642 | 188,465,603 |
| October | 3,005,024,190 | 5,752,560,931 | -2,747,536,740 | -218,793,590 | 164,794,310 |
| November | 4,554,874,148 | 5,182,785,605 | -627,911,456 | 78,718,705 | -476,488,924 |
| December | 4,588,419,362 | 6,437,095,892 | -1,848,676,530 | -175,823,632 | 718,629,849 |
| 1954-January | 5,033,135,214 | 5,218,227,708 | -185,092,494 | -36,495,152 | 8,670,192 |
| February | 5,444,170,356 | 4,707,412,033 | 736,758,323 | 409,538,797 | -135,282,120 |
| March | 11,434,194,001 | 5,554,985,557 | 5,879,208,444 | 193,192,797 | -159,745,128 |
| April | 2,750,757,244 | 5,295,560,263 | -2,544,803,018 | -427,487,393 | 593,403,536 |
| May | 3,592,133,445 | 5,203,345,036 | -1,611,211,590 | 393,805,204 | -510,868,855 |
| June | 10,644,320,193 | 7,308,443,689 | 3,335,876,503 | 12,610,484 | 146,369,091 |

r Revised to exclude from both net budget receipts and budget expenditures the appropriations of receipts to the railroad retirement account.

1 Guaranteed obligations for 1934-1939 on basis of Public Debt accounts, and for 1940 and thereafter on basis of daily Treasury statements. Excludes guaranteed obligations held by the Treasury.

2 Total budget receipts less refunds of receipts, and less appropriations of receipts to the Federal old-age and survivors insurance trust fund beginning with fiscal 1937 and to the railroad retirement account beginning with fiscal 1938.

3 Expenditures are "net," after allowance for reimbursements to appropriations, receipts of revolving fund appropriations, and receipts credited to disbursing accounts of corporations and agencies having authority to use collections without formal covering into the Treasury. The figures include transfers to trust accounts. Beginning with 1951, the net investments of wholly owned Government corporations and agencies in public debt securities are excluded from budget expenditures and are included in trust accounts and other transactions. The expenditure figures also exclude public debt retirements chargeable to the sinking fund, etc., under special provisions of law. Payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and disposition of earnings are excluded from both receipts and expenditures; these are shown in a note to table 2.

4 Consists of transactions of trust and deposit accounts, investments of Government agencies in public debt securities, and sales and investments of obligations of Government agencies in the market (see table 6). Investments of wholly owned Government corporations in public debt securities are included in budget expenditures before 1951. Retirements of national bank notes chargeable against the increment on gold (fiscal years 1935-39) are excluded.

5 For checks and interest coupons outstanding and telegraphic reports from Federal Reserve Banks, and beginning with the fiscal year 1954, also deposits in transit and cash held outside the Treasury; net increase, or decrease (-).

## OPERATIONS

fiscal years 1932-54 and monthly 1954

ment of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

| Public debt net increase, or decrease (-) | General fund balance net increase, or decrease (-) | Amount, end of period | | | | |
|---|---|---|---|---|---|---|
| | | General fund balance | Debt outstanding | | | |
| | | | Public debt | Guaranteed obligations[1] | Total | Subject to limitation[6] |
| $2,685,720,952 | -$54,746,805 | $417,197,178 | $19,487,002,444 | ........... | $19,487,002,444 | (6) |
| 3,051,670,116 | 445,008,042 | 862,205,221 | 22,538,672,560 | ........... | 22,538,672,560 | (6) |
| 4,514,468,854 | 1,719,717,020 | 2,581,922,240 | 27,053,141,414 | $ 680,767,817 | 27,733,909,231 | (6) |
| 1,647,751,210 | -740,576,701 | 1,841,345,539 | 28,700,892,625 | 4,122,684,692 | 32,823,577,316 | (6) |
| 5,077,650,869 | 840,164,664 | 2,681,510,204 | 33,778,543,494 | 4,718,033,242 | 38,496,576,735 | (6) |
| 2,646,070,239 | -128,036,307 | 2,553,473,897 | 36,424,613,732 | 4,664,604,533 | 41,089,218,265 | (6) |
| 740,126,583 | -337,555,984 | 2,215,917,913 | 37,164,740,315 | 4,852,791,651 | 42,017,531,967 | $36,881,889,956 |
| 3,274,792,096 | 622,307,620 | 2,838,225,533 | 40,439,532,411 | 5,450,834,099 | 45,890,366,510 | 40,371,110,606 |
| 2,527,998,627 | -947,482,391 | 1,890,743,141 | 42,967,531,038 | 5,529,070,655 | 48,496,601,693 | 42,369,599,868 |
| 5,993,912,498 | 742,430,921 | 2,633,174,062 | 48,961,443,536 | 6,370,252,580 | 55,331,696,116 | 48,383,527,558 |
| 23,461,001,581 | 357,973,154 | 2,991,147,216 | 72,422,445,116 | 4,568,259,630 | 76,990,704,746 | 74,154,457,607 |
| 64,273,645,214 | 6,515,418,710 | 9,506,565,926 | 136,696,090,330 | 4,099,943,046 | 140,796,033,376 | 140,469,083,742 |
| 64,307,296,891 | 10,661,985,696 | 20,168,551,622 | 201,003,387,221 | 1,623,069,301 | 202,626,456,522 | 208,077,255,051 |
| 57,678,800,189 | 4,529,177,729 | 24,697,729,352 | 258,682,187,410 | 433,158,392 | 259,115,345,802 | 268,670,763,468 |
| 10,739,911,763 | -10,459,846,056 | 14,237,883,295 | 269,422,099,173 | 476,384,859 | 269,898,484,033 | 268,932,355,302 |
| -11,135,716,065 | 10,929,746,366 | 3,308,136,929 | 258,286,383,109 | 89,520,185 | 258,375,903,294 | 257,491,416,060 |
| -5,994,136,596 | 1,623,884,548 | 4,932,021,477 | 252,292,246,513 | 73,460,818 | 252,365,707,331 | 251,541,571,385 |
| 478,113,347 | -1,461,618,165 | 3,470,403,312 | 252,770,359,860 | 27,275,408 | 252,797,635,268 | 252,027,712,585 |
| 4,586,992,491 | 2,046,684,380 | 5,517,087,692 | 257,357,352,351 | 19,503,034 | 257,376,855,385 | 256,652,133,429 |
| -2,135,375,536 | 1,839,490,432 | 7,356,578,123 | 255,221,976,815 | 29,227,169 | 255,251,203,984 | 254,566,629,670 |
| 3,883,201,970 | -387,750,519 | 6,968,827,604 | 259,105,178,785 | 45,565,346 | 259,150,744,131 | 258,506,598,138 |
| 6,965,882,853 | -2,298,579,356 | 4,670,248,248 | 266,071,061,639 | 52,072,761 | 266,123,134,400 | 265,521,736,381 |
| 5,188,537,469 | 2,096,206,813 | 6,766,455,061 | 271,259,599,108 | 81,441,386 | 271,341,040,494 | 270,790,304,616 |
| | | | | | | |
| 6,598,346,102 | 4,070,518,348 | 8,740,766,596 | 272,669,407,740 | 62,943,061 | 272,732,350,801 | 272,148,321,741 |
| 536,419,700 | -1,066,510,833 | 7,674,255,763 | 273,205,827,440 | 63,269,061 | 273,269,096,502 | 272,688,299,025 |
| -268,831,267 | -195,763,247 | 7,478,492,516 | 272,936,996,173 | 63,651,411 | 273,000,647,584 | 272,421,672,849 |
| 449,224,850 | -2,352,311,170 | 5,126,181,346 | 273,386,221,023 | 65,938,986 | 273,452,160,009 | 272,875,011,599 |
| 1,822,362,618 | 796,680,943 | 5,922,862,289 | 275,208,583,641 | 73,796,736 | 275,282,380,377 | 274,706,927,831 |
| -40,463,511 | -1,346,333,824 | 4,576,528,465 | 275,168,120,129 | 75,638,636 | 275,243,758,766 | 274,670,901,037 |
| -319,608,457 | -532,525,911 | 4,044,002,554 | 274,848,511,672 | 75,097,936 | 274,923,609,608 | 274,362,399,958 |
| -66,972,532 | 944,042,467 | 4,988,045,021 | 274,781,539,139 | 77,011,461 | 274,858,550,601 | 274,299,848,806 |
| -4,546,170,670 | 1,366,485,443 | 6,354,530,464 | 270,235,368,469 | 77,086,736 | 270,312,455,205 | 269,756,502,966 |
| 811,425,949 | -1,567,460,926 | 4,787,069,538 | 271,046,794,418 | 79,825,736 | 271,126,620,155 | 270,572,006,721 |
| 2,427,986,728 | 699,711,483 | 5,486,781,021 | 273,474,781,147 | 80,453,286 | 273,555,234,433 | 273,002,479,977 |
| -2,215,182,038 | 1,279,674,039 | 6,766,455,061 | 271,259,599,108 | 81,441,386 | 271,341,040,494 | 270,790,304,616 |

[6] Prior to May 26, 1938, the limitation applied to particular segments of the debt, not to the total. The total amounts of the statutory limitations in effect from February 19, 1941, to date are summarized in table 15. Guaranteed securities held outside the Treasury are included in the limitation beginning April 3, 1945. Savings bonds are included at current redemption value beginning June 26, 1946; before that date they are included at maturity value. In the debt outstanding, savings bonds are carried at current redemption value.

[7] Sec. 114 (f) of the Economic Cooperation Act of 1948, approved Apr. 3, 1948, required that the sum of $3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund," and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures." The effect of this was to charge the budget in the fiscal year 1948 for expenditures made in the fiscal year 1949, with consequent effect on the budget surplus or deficit of those years. This bookkeeping transaction had no effect on the actual timing of either receipts or expenditures. In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of $3,000,000,000 in the fiscal year 1948 to the Foreign Economic Cooperation trust fund; expenditures of $3,000,000,000 during the fiscal year 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table. If effect is given to Sec. 114 (f) of the Economic Cooperation Act of 1948, the budget results for the fiscal years 1948 and 1949 would be as follows:

| | Fiscal year 1948 | Fiscal year 1949 |
|---|---|---|
| Budget receipts | $42,210,770,493 | $38,245,667,810 |
| Budget expenditures | 36,791,300,649 | 37,057,107,858 |
| Budget surplus | 5,419,469,844 | 1,188,559,952 |

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**RECEIPTS AND**

TABLE 2.--Receipts and expendi-

[On basis of warrants issued from 1789 to 1915, and on basis of daily Treasury statements for 1916 through United States Government. "General, special, emergency, and trust accounts combined from 1789 through 1930.

| Year | Receipts | | | | | |
|---|---|---|---|---|---|---|
| | Customs (including tonnage tax) | Internal revenue | | Other receipts[2] | Total receipts[3] | Net receipts[4] |
| | | Income and profits taxes | Other | | | |
| 1789-91 | $4,399,473 | ............ | ............ | $19,440 | $4,418,913 | ............ |
| 1792 | 3,443,071 | ............ | $208,943 | 17,946 | 3,669,960 | ............ |
| 1793 | 4,255,307 | ............ | 337,706 | 59,910 | 4,652,923 | ............ |
| 1794 | 4,801,065 | ............ | 274,090 | 356,750 | 5,431,905 | ............ |
| 1795 | 5,588,461 | ............ | 337,755 | 188,318 | 6,114,534 | ............ |
| 1796 | 6,567,988 | ............ | 475,290 | 1,334,252 | 8,377,530 | ............ |
| 1797 | 7,549,650 | ............ | 575,491 | 563,640 | 8,688,781 | ............ |
| 1798 | 7,106,062 | ............ | 644,358 | 150,076 | 7,900,496 | ............ |
| 1799 | 6,610,449 | ............ | 779,136 | 157,228 | 7,546,813 | ............ |
| 1800 | 9,080,933 | ............ | 809,396 | 958,420 | 10,848,749 | ............ |
| 1801 | 10,750,779 | ............ | 1,048,033 | 1,136,519 | 12,935,331 | ............ |
| 1802 | 12,438,236 | ............ | 621,899 | 1,935,659 | 14,995,794 | ............ |
| 1803 | 10,479,418 | ............ | 215,180 | 369,500 | 11,064,098 | ............ |
| 1804 | 11,098,565 | ............ | 50,941 | 676,801 | 11,826,307 | ............ |
| 1805 | 12,936,487 | ............ | 21,747 | 602,459 | 13,560,693 | ............ |
| 1806 | 14,667,698 | ............ | 20,101 | 872,132 | 15,559,931 | ............ |
| 1807 | 15,845,522 | ............ | 13,051 | 539,446 | 16,398,019 | ............ |
| 1808 | 16,363,551 | ............ | 8,211 | 688,900 | 17,060,662 | ............ |
| 1809 | 7,296,021 | ............ | 4,044 | 473,408 | 7,773,473 | ............ |
| 1810 | 8,583,309 | ............ | 7,431 | 793,475 | 9,384,215 | ............ |
| 1811 | 13,313,223 | ............ | 2,296 | 1,108,010 | 14,423,529 | ............ |
| 1812 | 8,958,778 | ............ | 4,903 | 837,452 | 9,801,133 | ............ |
| 1813 | 13,224,623 | ............ | 4,755 | 1,111,032 | 14,340,410 | ............ |
| 1814 | 5,998,772 | ............ | 1,662,985 | 3,519,868 | 11,181,625 | ............ |
| 1815 | 7,282,942 | ............ | 4,678,059 | 3,768,023 | 15,729,024 | ............ |
| 1816 | 36,306,875 | ............ | 5,124,708 | 6,246,088 | 47,677,671 | ............ |
| 1817 | 26,283,348 | ............ | 2,678,101 | 4,137,601 | 33,099,050 | ............ |
| 1818 | 17,176,385 | ............ | 955,270 | 3,453,516 | 21,585,171 | ............ |
| 1819 | 20,283,609 | ............ | 229,594 | 4,090,172 | 24,603,375 | ............ |
| 1820 | 15,005,612 | ............ | 106,261 | 2,768,797 | 17,880,670 | ............ |
| 1821 | 13,004,447 | ............ | 69,028 | 1,499,905 | 14,573,380 | ............ |
| 1822 | 17,589,762 | ............ | 67,666 | 2,575,000 | 20,232,428 | ............ |
| 1823 | 19,088,433 | ............ | 34,242 | 1,417,991 | 20,540,666 | ............ |
| 1824 | 17,878,326 | ............ | 34,663 | 1,468,224 | 19,381,213 | ............ |
| 1825 | 20,098,713 | ............ | 25,771 | 1,716,374 | 21,840,858 | ............ |
| 1826 | 23,341,332 | ............ | 21,590 | 1,897,512 | 25,260,434 | ............ |
| 1827 | 19,712,283 | ............ | 19,886 | 3,234,195 | 22,966,364 | ............ |
| 1828 | 23,205,524 | ............ | 17,452 | 1,540,654 | 24,763,630 | ............ |
| 1829 | 22,681,966 | ............ | 14,503 | 2,131,158 | 24,827,627 | ............ |
| 1830 | 21,922,391 | ............ | 12,161 | 2,909,564 | 24,844,116 | ............ |
| 1831 | 24,224,442 | ............ | 6,934 | 4,295,445 | 28,526,821 | ............ |
| 1832 | 28,465,237 | ............ | 11,631 | 3,388,693 | 31,865,561 | ............ |
| 1833 | 29,032,509 | ............ | 2,759 | 4,913,159 | 33,948,427 | ............ |
| 1834 | 16,214,957 | ............ | 4,196 | 5,572,783 | 21,791,936 | ............ |
| 1835 | 19,391,311 | ............ | 10,459 | 16,028,317 | 35,430,087 | ............ |
| 1836 | 23,409,941 | ............ | 370 | 27,416,485 | 50,826,796 | ............ |
| 1837 | 11,169,290 | ............ | 5,494 | 13,779,369 | 24,954,153 | ............ |
| 1838 | 16,158,800 | ............ | 2,467 | 10,141,295 | 26,302,562 | ............ |
| 1839 | 23,137,925 | ............ | 2,553 | 8,342,271 | 31,482,749 | ............ |
| 1840 | 13,499,502 | ............ | 1,682 | 5,978,931 | 19,480,115 | ............ |
| 1841 | 14,487,217 | ............ | 3,261 | 2,369,682 | 16,860,160 | ............ |
| 1842 | 18,187,909 | ............ | 495 | 1,787,794 | 19,976,198 | ............ |
| 1843[1] | 7,046,844 | ............ | 103 | 1,255,755 | 8,302,702 | ............ |
| 1844 | 26,183,571 | ............ | 1,777 | 3,136,026 | 29,321,374 | ............ |
| 1845 | 27,528,113 | ............ | 3,517 | 2,438,476 | 29,970,106 | ............ |
| 1846 | 26,712,668 | ............ | 2,897 | 2,984,402 | 29,699,967 | ............ |
| 1847 | 23,747,865 | ............ | 375 | 2,747,529 | 26,495,769 | ............ |
| 1848 | 31,757,071 | ............ | 375 | 3,978,333 | 35,735,779 | ............ |
| 1849 | 28,346,739 | ............ | ............ | 2,861,404 | 31,208,143 | ............ |
| 1850 | 39,668,686 | ............ | ............ | 3,934,753 | 43,603,439 | ............ |
| 1851 | 49,017,568 | ............ | ............ | 3,541,736 | 52,559,304 | ............ |
| 1852 | 47,339,327 | ............ | ............ | 2,507,489 | 49,846,816 | ............ |
| 1853 | 58,931,866 | ............ | ............ | 2,655,188 | 61,587,054 | ............ |
| 1854 | 64,224,190 | ............ | ............ | 9,576,151 | 73,800,341 | ............ |
| 1855 | 53,025,794 | ............ | ............ | 12,324,781 | 65,350,575 | ............ |
| 1856 | 64,022,863 | ............ | ............ | 10,033,836 | 74,056,699 | ............ |

Footnotes at end of table.

## EXPENDITURES

tures, fiscal years 1789-1954[1]

1952. Beginning with fiscal year 1953 on basis of the "Monthly Statement of Receipts and Expenditures of the Trust accounts excluded for 1931 and subsequent years. For explanation of accounts, see "Bases of Tables"]

| Expenditures | | | | | Surplus, or deficit (-) |
|---|---|---|---|---|---|
| Department of the Army (formerly War Department)[5] [6] | Department of the Navy[5] | Interest on the public debt | Other[2] | Total expenditures[3] | |
| $632,804 | $570 | $2,349,437 | $1,286,216 | $4,269,027 | $149,886 |
| 1,100,702 | 53 | 3,201,628 | 777,149 | 5,079,532 | -1,409,572 |
| 1,130,249 | ................ | 2,772,242 | 579,822 | 4,482,313 | 170,610 |
| 2,639,098 | 61,409 | 3,490,293 | 800,039 | 6,990,839 | -1,558,934 |
| 2,480,910 | 410,562 | 3,189,151 | 1,459,186 | 7,539,809 | -1,425,275 |
| 1,260,264 | 274,784 | 3,195,055 | 996,883 | 5,726,986 | 2,650,544 |
| 1,039,403 | 382,632 | 3,300,043 | 1,411,556 | 6,133,634 | 2,555,147 |
| 2,009,522 | 1,381,348 | 3,053,281 | 1,232,353 | 7,676,504 | 223,992 |
| 2,466,947 | 2,858,082 | 3,186,288 | 1,155,138 | 9,666,455 | -2,119,642 |
| 2,560,879 | 3,448,716 | 3,374,705 | 1,401,775 | 10,786,075 | 62,674 |
| 1,672,944 | 2,111,424 | 4,412,913 | 1,197,301 | 9,394,582 | 3,540,749 |
| 1,179,148 | 915,562 | 4,125,039 | 1,642,369 | 7,862,118 | 7,133,676 |
| 822,056 | 1,215,231 | 3,848,828 | 1,965,538 | 7,851,653 | 3,212,445 |
| 875,424 | 1,189,833 | 4,266,583 | 2,387,602 | 8,719,442 | 3,106,865 |
| 712,781 | 1,597,500 | 4,148,999 | 4,046,954 | 10,506,234 | 3,054,459 |
| 1,224,355 | 1,649,641 | 3,723,408 | 3,206,213 | 9,803,617 | 5,756,314 |
| 1,288,686 | 1,722,064 | 3,369,578 | 1,973,823 | 8,354,151 | 8,043,868 |
| 2,900,834 | 1,884,068 | 3,428,153 | 1,719,437 | 9,932,492 | 7,128,170 |
| 3,345,772 | 2,427,759 | 2,866,075 | 1,641,142 | 10,280,748 | -2,507,275 |
| 2,294,324 | 1,654,244 | 2,845,428 | 1,362,514 | 8,156,510 | 1,227,705 |
| 2,032,828 | 1,965,566 | 2,465,733 | 1,594,210 | 8,058,337 | 6,365,192 |
| 11,817,798 | 3,959,365 | 2,451,273 | 2,052,335 | 20,280,771 | -10,479,638 |
| 19,652,013 | 6,446,600 | 3,599,455 | 1,983,784 | 31,681,852 | -17,341,442 |
| 20,350,807 | 7,311,291 | 4,593,239 | 2,465,589 | 34,720,926 | -23,539,301 |
| 14,794,294 | 8,660,000 | 5,754,569 | 3,499,276 | 32,708,139 | -16,979,115 |
| 16,012,097 | 3,908,278 | 7,213,259 | 3,453,057 | 30,586,691 | 17,090,980 |
| 8,004,237 | 3,314,598 | 6,389,210 | 4,135,775 | 21,843,820 | 11,255,230 |
| 5,622,715 | 2,953,695 | 6,016,447 | 5,232,264 | 19,825,121 | 1,760,050 |
| 6,506,300 | 3,847,640 | 5,163,538 | 5,946,332 | 21,463,810 | 3,139,565 |
| 2,630,392 | 4,387,990 | 5,126,097 | 6,116,148 | 18,260,627 | -379,957 |
| 4,461,292 | 3,319,243 | 5,087,274 | 2,942,944 | 15,810,753 | -1,237,373 |
| 3,111,981 | 2,224,459 | 5,172,578 | 4,491,202 | 15,000,220 | 5,232,208 |
| 3,096,924 | 2,503,766 | 4,922,685 | 4,183,465 | 14,706,840 | 5,833,826 |
| 3,340,940 | 2,904,582 | 4,996,562 | 9,084,624 | 20,326,708 | -945,495 |
| 3,659,914 | 3,049,084 | 4,366,769 | 4,781,462 | 15,857,229 | 5,983,629 |
| 3,943,194 | 4,218,902 | 3,973,481 | 4,900,220 | 17,035,797 | 8,224,637 |
| 3,938,978 | 4,263,877 | 3,486,072 | 4,450,241 | 16,139,168 | 6,827,196 |
| 4,145,545 | 3,918,786 | 3,098,801 | 5,231,711 | 16,394,843 | 8,368,787 |
| 4,724,291 | 3,308,745 | 2,542,843 | 4,627,454 | 15,203,333 | 9,624,294 |
| 4,767,129 | 3,239,429 | 1,913,533 | 5,222,975 | 15,143,066 | 9,701,050 |
| 4,841,836 | 3,856,183 | 1,383,583 | 5,166,049 | 15,247,651 | 13,279,170 |
| 5,446,035 | 3,956,370 | 772,562 | 7,113,983 | 17,288,950 | 14,576,611 |
| 6,704,019 | 3,901,357 | 303,797 | 12,108,379 | 23,017,552 | 10,930,875 |
| 5,696,189 | 3,956,260 | 202,153 | 8,772,967 | 18,627,569 | 3,164,367 |
| 5,759,157 | 3,864,939 | 57,863 | 7,890,854 | 17,572,813 | 17,857,274 |
| 12,169,227 | 5,807,718 | ................ | 12,891,219 | 30,868,164 | 19,958,632 |
| 13,682,734 | 6,646,915 | ................ | 16,913,847 | 37,243,496 | -12,289,343 |
| 12,897,224 | 6,131,596 | 14,997 | 14,821,242 | 33,865,059 | -7,562,497 |
| 8,916,996 | 6,182,294 | 399,834 | 11,400,004 | 26,899,128 | 4,583,621 |
| 7,097,070 | 6,113,897 | 174,598 | 10,932,014 | 24,317,579 | -4,837,464 |
| 8,805,565 | 6,001,077 | 284,978 | 11,474,253 | 26,565,873 | -9,705,713 |
| 6,611,887 | 8,397,243 | 773,550 | 9,423,081 | 25,205,761 | -5,229,563 |
| 2,957,300 | 3,727,711 | 523,595 | 4,649,469 | 11,858,075 | -3,555,373 |
| 5,179,220 | 6,498,199 | 1,833,867 | 8,826,285 | 22,337,571 | 6,983,803 |
| 5,752,644 | 6,297,245 | 1,040,032 | 9,847,487 | 22,937,408 | 7,032,698 |
| 10,792,867 | 6,454,947 | 842,723 | 9,676,388 | 27,766,925 | 1,933,042 |
| 38,305,520 | 7,900,636 | 1,119,215 | 9,956,041 | 57,281,412 | -30,785,643 |
| 25,501,963 | 9,408,476 | 2,390,825 | 8,075,962 | 45,377,226 | -9,641,447 |
| 14,852,966 | 9,786,706 | 3,565,578 | 16,846,407 | 45,051,657 | -13,843,514 |
| 9,400,239 | 7,904,709 | 3,782,331 | 18,456,213 | 39,543,492 | 4,059,947 |
| 11,811,793 | 9,005,931 | 3,696,721 | 23,194,572 | 47,709,017 | 4,850,287 |
| 8,225,247 | 8,952,801 | 4,000,298 | 23,016,573 | 44,194,919 | 5,651,897 |
| 9,947,291 | 10,918,781 | 3,665,833 | 23,652,206 | 48,184,111 | 13,402,943 |
| 11,733,629 | 10,798,586 | 3,071,017 | 32,441,630 | 58,044,862 | 15,755,479 |
| 14,773,826 | 13,312,024 | 2,314,375 | 29,342,443 | 59,742,668 | 5,607,907 |
| 16,948,197 | 14,091,781 | 1,953,822 | 36,577,226 | 69,571,026 | 4,485,673 |

TABLE 2.--Receipts and expenditures,

| Year | Receipts | | | | | |
|---|---|---|---|---|---|---|
| | Customs (including tonnage tax) | Internal revenue | | Other receipts[2] | Total receipts[3] | Net receipts[4] |
| | | Income and profits taxes | Other | | | |
| 1857 | $63,875,905 | ............ | ............ | $5,089,408 | $68,965,313 | ............ |
| 1858 | 41,789,621 | ............ | ............ | 4,865,745 | 46,655,366 | ............ |
| 1859 | 49,565,824 | ............ | ............ | 3,920,641 | 53,486,465 | ............ |
| 1860 | 53,187,512 | ............ | ............ | 2,877,096 | 56,064,608 | ............ |
| 1861 | 39,582,126 | ............ | ............ | 1,927,805 | 41,509,931 | ............ |
| 1862 | 49,056,398 | ............ | ............ | 2,931,058 | 51,987,456 | ............ |
| 1863 | 69,059,642 | $2,741,858 | $34,898,930 | 5,996,861 | 112,697,291 | ............ |
| 1864 | 102,316,153 | 20,294,732 | 89,446,402 | 52,569,484 | 264,626,771 | ............ |
| 1865 | 84,928,261 | 60,979,329 | 148,484,886 | 39,322,129 | 333,714,605 | ............ |
| 1866 | 179,046,652 | 72,982,159 | 236,244,654 | 69,759,155 | 558,032,620 | ............ |
| 1867 | 176,417,811 | 66,014,429 | 200,013,108 | 48,188,662 | 490,634,010 | ............ |
| 1868 | 164,464,600 | 41,455,598 | 149,631,991 | 50,085,894 | 405,638,083 | ............ |
| 1869 | 180,048,427 | 34,791,856 | 123,564,605 | 32,538,859 | 370,943,747 | ............ |
| 1870 | 194,538,374 | 37,775,874 | 147,123,882 | 31,817,347 | 411,255,477 | ............ |
| 1871 | 206,270,408 | 19,162,651 | 123,935,503 | 33,955,383 | 383,323,945 | ............ |
| 1872 | 216,370,287 | 14,436,862 | 116,205,316 | 27,094,403 | 374,106,868 | ............ |
| 1873 | 188,089,523 | 5,062,312 | 108,667,002 | 31,919,368 | 333,738,205 | ............ |
| 1874 | 163,103,834 | 139,472 | 102,270,313 | 39,465,137 | 304,978,756 | ............ |
| 1875 | 157,167,722 | 233 | 110,007,261 | 20,824,835 | 288,000,051 | ............ |
| 1876 | 148,071,985 | 588 | 116,700,144 | 29,323,148 | 294,095,865 | ............ |
| 1877 | 130,956,493 | 98 | 118,630,310 | 31,819,518 | 281,406,419 | ............ |
| 1878 | 130,170,680 | ............ | 110,581,625 | 17,011,574 | 257,763,879 | ............ |
| 1879 | 137,250,048 | ............ | 113,561,611 | 23,015,526 | 273,827,185 | ............ |
| 1880 | 186,522,064 | ............ | 124,009,374 | 22,995,173 | 333,526,611 | ............ |
| 1881 | 198,159,676 | 3,022 | 135,261,364 | 27,358,231 | 360,782,293 | ............ |
| 1882 | 220,410,730 | ............ | 146,497,596 | 36,616,924 | 403,525,250 | ............ |
| 1883 | 214,706,497 | ............ | 144,720,369 | 38,860,716 | 398,287,582 | ............ |
| 1884 | 195,067,490 | 55,628 | 121,530,445 | 31,866,307 | 348,519,870 | ............ |
| 1885 | 181,471,939 | ............ | 112,498,726 | 29,720,041 | 323,690,706 | ............ |
| 1886 | 192,905,023 | ............ | 116,805,936 | 26,728,767 | 336,439,726 | ............ |
| 1887 | 217,286,893 | ............ | 118,823,391 | 35,292,993 | 371,403,277 | ............ |
| 1888 | 219,091,174 | ............ | 124,296,872 | 35,878,029 | 379,266,075 | ............ |
| 1889 | 223,832,742 | ............ | 130,881,514 | 32,335,803 | 387,050,059 | ............ |
| 1890 | 229,668,585 | ............ | 142,606,706 | 30,805,693 | 403,080,984 | ............ |
| 1891 | 219,522,205 | ............ | 145,686,250 | 27,403,992 | 392,612,447 | ............ |
| 1892 | 177,452,964 | ............ | 153,971,072 | 23,513,748 | 354,937,784 | ............ |
| 1893 | 203,355,017 | ............ | 161,027,624 | 21,436,988 | 385,819,629 | ............ |
| 1894 | 131,818,531 | ............ | 147,111,233 | 27,425,552 | 306,355,316 | ............ |
| 1895 | 152,158,617 | 77,131 | 143,344,541 | 29,149,130 | 324,729,419 | ............ |
| 1896 | 160,021,752 | ............ | 146,762,865 | 31,357,830 | 338,142,447 | ............ |
| 1897 | 176,554,127 | ............ | 146,688,574 | 24,479,004 | 347,721,705 | ............ |
| 1898 | 149,575,062 | ............ | 170,900,642 | 84,845,631 | 405,321,335 | ............ |
| 1899 | 206,128,482 | ............ | 273,437,162 | 36,394,977 | 515,960,621 | ............ |
| 1900 | 233,164,871 | ............ | 295,327,927 | 38,748,054 | 567,240,852 | ............ |
| 1901 | 238,585,456 | ............ | 307,180,664 | 41,919,218 | 587,685,338 | ............ |
| 1902 | 254,444,708 | ............ | 271,880,122 | 36,153,403 | 562,478,233 | ............ |
| 1903 | 284,479,582 | ............ | 230,810,124 | 46,591,016 | 561,880,722 | ............ |
| 1904 | 261,274,565 | ............ | 232,904,119 | 46,908,401 | 541,087,085 | ............ |
| 1905 | 261,798,857 | ............ | 234,095,741 | 48,380,087 | 544,274,685 | ............ |
| 1906 | 300,251,878 | ............ | 249,150,213 | 45,582,355 | 594,984,446 | ............ |
| 1907 | 332,233,363 | ............ | 269,666,773 | 63,960,250 | 665,860,386 | ............ |
| 1908 | 286,113,130 | ............ | 251,711,127 | 64,037,650 | 601,861,907 | ............ |
| 1909 | 300,711,934 | ............ | 246,212,644 | 57,395,920 | 604,320,498 | ............ |
| 1910 | 333,683,445 | 20,951,781 | 268,981,738 | 51,894,751 | 675,511,715 | ............ |
| 1911 | 314,497,071 | 33,516,977 | 289,012,224 | 64,806,639 | 701,832,911 | ............ |
| 1912 | 311,321,672 | 28,583,304 | 293,028,896 | 59,675,332 | 692,609,204 | ............ |
| 1913 | 318,891,396 | 35,006,300 | 309,410,666 | 60,802,868 | 724,111,230 | ............ |
| 1914 | 292,320,014 | 71,381,275 | 308,659,733 | 62,312,145 | 734,673,167 | ............ |
| 1915 | 209,786,672 | 80,201,759 | 335,467,887 | 72,454,509 | 697,910,827 | ............ |
| 1916 | 213,185,846 | 124,937,253 | 387,764,776 | 56,646,673 | 782,534,548 | ............ |
| 1917 | 225,962,393 | 359,681,228 | 449,684,980 | 88,996,194 | 1,124,324,795 | ............ |
| 1918 | 179,998,385 | 2,314,006,292 | 872,028,020 | 298,550,168 | 3,664,582,865 | ............ |
| 1919 | 184,457,867 | 3,018,783,687 | 1,296,501,292 | 652,514,290 | 5,152,257,136 | ............ |
| 1920 | 322,902,650 | 3,944,949,288 | 1,460,082,287 | 966,631,164 | 6,694,565,389 | ............ |
| 1921 | 308,564,391 | 3,206,046,158 | 1,390,379,823 | 719,942,589 | 5,624,932,961 | ............ |
| 1922 | 356,443,387 | 2,068,128,193 | 1,145,125,064 | 539,407,507 | 4,109,104,151 | ............ |
| 1923 | 561,928,867 | 1,678,607,428 | 945,865,333 | 820,733,853 | 4,007,135,481 | ............ |
| 1924 | 545,637,504 | 1,842,144,418 | 953,012,618 | 671,250,162 | 4,012,044,702 | ............ |

Footnotes at end of table.

fiscal years 1789-1954[1]--Continued

| Expenditures | | | | | |
|---|---|---|---|---|---|
| Department of the Army (formerly War Department)[5,6] | Department of the Navy[5] | Interest on the public debt | Other[7] | Total expenditures[3,7] | Surplus, or deficit (-)[7] |
| $19,261,774 | $12,747,977 | $1,678,265 | $34,107,692 | $67,795,708 | $1,169,605 |
| 25,485,383 | 13,984,551 | 1,567,056 | 33,148,280 | 74,185,270 | -27,529,904 |
| 23,243,823 | 14,642,990 | 2,638,464 | 28,545,700 | 69,070,977 | -15,584,512 |
| 16,409,767 | 11,514,965 | 3,177,315 | 32,028,551 | 63,130,598 | -7,065,990 |
| 22,981,150 | 12,420,888 | 4,000,174 | 27,144,433 | 66,546,645 | -25,036,714 |
| 394,368,407 | 42,668,277 | 13,190,325 | 24,534,810 | 474,761,819 | -422,774,363 |
| 599,298,601 | 63,221,964 | 24,729,847 | 27,490,313 | 714,740,725 | -602,043,434 |
| 690,791,843 | 85,725,995 | 53,685,422 | 35,119,382 | 865,322,642 | -600,695,871 |
| 1,031,323,361 | 122,612,945 | 77,397,712 | 66,221,206 | 1,297,555,224 | -963,840,619 |
| 284,449,702 | 43,324,118 | 133,067,742 | 59,967,855 | 520,809,417 | 37,223,203 |
| 95,224,415 | 31,034,011 | 143,781,592 | 87,502,657 | 357,542,675 | 133,091,335 |
| 123,246,648 | 25,775,503 | 140,424,046 | 87,894,088 | 377,340,285 | 28,297,798 |
| 78,501,991 | 20,000,758 | 130,694,243 | 93,668,286 | 322,865,278 | 48,078,469 |
| 57,655,676 | 21,780,230 | 129,235,498 | 100,982,157 | 309,653,561 | 101,601,916 |
| 35,799,992 | 19,431,027 | 125,576,566 | 111,369,603 | 292,177,188 | 91,146,757 |
| 35,372,157 | 21,249,810 | 117,357,840 | 103,538,156 | 277,517,963 | 96,588,905 |
| 46,323,138 | 23,526,257 | 104,750,688 | 115,745,162 | 290,345,245 | 43,392,960 |
| 42,313,927 | 30,932,587 | 107,119,815 | 122,267,544 | 302,633,873 | 2,344,883 |
| 41,120,646 | 21,497,626 | 103,093,545 | 108,911,576 | 274,623,393 | 13,376,658 |
| 38,070,889 | 18,963,310 | 100,243,271 | 107,823,615 | 265,101,085 | 28,994,780 |
| 37,082,736 | 14,959,935 | 97,124,512 | 92,167,292 | 241,334,475 | 40,071,944 |
| 32,154,148 | 17,365,301 | 102,500,875 | 84,944,003 | 236,964,327 | 20,799,552 |
| 40,425,661 | 15,125,127 | 105,327,949 | 106,069,147 | 266,947,884 | 6,879,301 |
| 38,116,916 | 13,536,985 | 95,757,575 | 120,231,482 | 267,642,958 | 65,883,653 |
| 40,466,461 | 15,686,672 | 82,508,741 | 122,051,014 | 260,712,888 | 100,069,405 |
| 43,570,494 | 15,032,046 | 71,077,207 | 128,301,693 | 257,981,440 | 145,543,810 |
| 48,911,383 | 15,283,437 | 59,160,131 | 142,053,187 | 265,408,138 | 132,879,444 |
| 39,429,603 | 17,292,601 | 54,578,379 | 132,825,661 | 244,126,244 | 104,393,626 |
| 42,670,578 | 16,021,080 | 51,386,256 | 150,149,021 | 260,226,935 | 63,463,771 |
| 34,324,153 | 13,907,888 | 50,580,146 | 143,670,952 | 242,483,139 | 93,956,587 |
| 38,561,026 | 15,141,127 | 47,741,577 | 166,488,451 | 267,932,181 | 103,471,096 |
| 38,522,436 | 16,926,438 | 44,715,007 | 167,760,920 | 267,924,801 | 111,341,274 |
| 44,435,271 | 21,378,809 | 41,001,484 | 192,473,414 | 299,288,978 | 87,761,081 |
| 44,582,838 | 22,006,206 | 36,099,284 | 215,352,383 | 318,040,711 | 85,040,273 |
| 48,720,065 | 26,113,896 | 37,547,135 | 253,392,808 | 365,773,904 | 26,838,543 |
| 46,895,456 | 29,174,139 | 23,378,116 | 245,575,620 | 345,023,331 | 9,914,453 |
| 49,641,773 | 30,136,084 | 27,264,392 | 276,435,704 | 383,477,953 | 2,341,676 |
| 54,567,930 | 31,701,294 | 27,841,406 | 253,414,651 | 367,525,281 | -61,169,965 |
| 51,804,759 | 28,797,796 | 30,978,030 | 244,614,713 | 356,195,298 | -31,465,879 |
| 50,830,921 | 27,147,732 | 35,385,029 | 238,815,764 | 352,179,446 | -14,036,999 |
| 48,950,268 | 34,561,546 | 37,791,110 | 244,471,235 | 365,774,159 | -18,052,454 |
| 91,992,000 | 58,823,985 | 37,585,056 | 254,967,542 | 443,368,583 | -38,047,248 |
| 229,841,254 | 63,942,104 | 39,896,925 | 271,391,896 | 605,072,179 | -89,111,558 |
| 134,774,768 | 55,953,078 | 40,160,333 | 289,972,668 | 520,860,847 | 46,380,005 |
| 144,615,697 | 60,506,978 | 32,342,979 | 287,151,271 | 524,616,925 | 63,068,413 |
| 112,272,216 | 67,803,128 | 29,108,045 | 276,050,860 | 485,234,249 | 77,243,984 |
| 118,629,505 | 82,618,034 | 28,556,349 | 287,202,239 | 517,006,127 | 44,874,595 |
| 165,199,911 | 102,956,102 | 24,646,490 | 290,857,397 | 583,659,900 | -42,572,815 |
| 126,093,894 | 117,550,308 | 24,590,944 | 299,043,768 | 567,278,914 | -23,004,229 |
| 137,326,066 | 110,474,264 | 24,308,576 | 298,093,372 | 570,202,278 | 24,782,168 |
| 149,775,084 | 97,128,469 | 24,481,158 | 307,744,131 | 579,128,842 | 86,731,544 |
| 175,840,453 | 118,037,097 | 21,426,138 | 343,892,632 | 659,196,320 | -57,334,413 |
| 192,486,904 | 115,546,011 | 21,803,836 | 363,907,134 | 693,743,885 | -89,423,387 |
| 189,823,379 | 123,173,717 | 21,342,979 | 359,276,990 | 693,617,065 | -18,105,350 |
| 197,199,491 | 119,937,644 | 21,311,334 | 352,753,043 | 691,201,512 | 10,631,399 |
| 184,122,793 | 135,591,956 | 22,616,300 | 347,550,285 | 689,881,334 | 2,727,870 |
| 202,128,711 | 133,262,862 | 22,899,108 | 366,221,282 | 724,511,963 | -400,733 |
| 208,349,746 | 139,682,186 | 22,863,957 | 364,185,542 | 735,081,431 | -408,264 |
| 202,160,134 | 141,835,654 | 22,902,897 | 393,688,117 | 760,586,802 | -62,675,975 |
| 183,176,439 | 153,853,567 | 22,900,869 | 374,125,327 | 734,056,202 | 48,478,346 |
| 377,940,870 | 239,632,757 | 24,742,702 | 1,335,365,422 | 1,977,681,751 | -853,356,956 |
| 4,869,955,286 | 1,278,840,487 | 189,743,277 | 6,358,163,421 | 12,696,702,471 | -9,032,119,606 |
| 9,009,075,789 | 2,002,310,785 | 619,215,569 | 6,884,277,812 | 18,514,879,955 | -13,362,622,819 |
| 1,621,953,095 | 736,021,456 | 1,020,251,622 | 3,025,117,668 | 6,403,343,841 | 291,221,548 |
| 1,118,076,423 | 650,373,836 | 999,144,731 | 2,348,332,700 | 5,115,927,690 | 509,005,271 |
| 457,756,139 | 476,775,194 | 991,000,759 | 1,447,075,808 | 3,372,607,900 | 736,496,251 |
| 397,050,596 | 333,201,362 | 1,055,923,690 | 1,508,451,881 | 3,294,627,529 | 712,507,952 |
| 357,016,878 | 332,249,137 | 940,602,913 | 1,418,809,037 | 3,048,677,965 | 963,366,737 |

TABLE 2.--Receipts and expenditures,

| Year | Receipts | | | | | |
|---|---|---|---|---|---|---|
| | Customs (including tonnage tax)[8] | Internal revenue | | Other receipts[2] | Total receipts[3] | Net receipts[4] |
| | | Income and profits taxes | Other | | | |
| 1925 | $547,561,226 | $1,760,537,824 | $828,638,068 | $643,411,567 | $3,780,148,685 | ............... |
| 1926 | 579,430,093 | 1,982,040,088 | 855,599,289 | 545,686,220 | 3,962,755,690 | ............... |
| 1927 | 605,499,983 | 2,224,992,800 | 644,421,542 | 654,480,116 | 4,129,394,441 | ............... |
| 1928 | 568,986,188 | 2,173,952,557 | 621,018,666 | 678,390,745 | 4,042,348,156 | ............... |
| 1929 | 602,262,786 | 2,330,711,823 | 607,307,549 | 492,968,067 | 4,033,250,225 | ............... |
| 1930 | 587,000,903 | 2,410,986,978 | 628,308,036 | 551,645,785 | 4,177,941,702 | ............... |
| 1931 | 378,354,005 | 1,860,394,295 | 569,386,721 | 381,503,611 | 3,189,638,632 | $3,115,556,923 |
| 1932 | 327,754,969 | 1,057,335,853 | 503,670,481 | 116,964,134 | 2,005,725,437 | 1,923,913,117 |
| 1933 | 250,750,251 | 746,206,445 | 858,217,512 | 224,522,534 | 2,079,696,742 | 2,021,212,943 |
| 1934 | 313,434,302 | 817,961,481 | 1,822,642,347 | 161,515,919 | 3,115,554,050 | 3,064,267,912 |
| 1935 | 343,353,034 | 1,099,118,638 | 2,178,571,390 | 179,424,141 | 3,800,467,202 | 3,729,913,845 |
| 1936 | 386,811,594 | 1,426,575,434 | 2,086,276,174 | 216,293,413 | 4,115,956,615 | 4,068,936,689 |
| 1937 | 486,356,599 | 2,163,413,817 | 2,433,726,286 | 210,093,535 | 5,293,590,237 | 4,978,600,695 |
| 1938 | 359,187,249 | 2,640,284,711 | 3,034,033,726 | 208,155,541 | 6,241,661,227 | r5,615,221,162 |
| 1939 | 318,837,311 | 2,188,757,289 | 2,972,463,558 | 187,765,468 | 5,667,823,626 | r4,996,299,530 |
| 1940 | 348,590,636 | 2,125,324,635 | 3,177,809,353 | 241,643,315 | 5,893,367,939 | r5,144,013,044 |
| 1941 | 391,870,013 | 3,469,637,849 | 3,892,037,133 | 242,066,585 | 7,995,611,580 | r7,102,931,383 |
| 1942 | 388,948,427 | 7,960,464,973 | 5,032,652,915 | 294,614,145 | 13,676,680,460 | r12,555,436,084 |
| 1943 | 324,290,778 | 16,093,668,781 | 6,050,300,218 | 934,062,619 | 23,402,322,396 | r21,986,700,787 |
| 1944 | 431,252,168 | 34,654,851,852 | 7,030,135,478 | 3,324,809,903 | 45,441,049,402 | r43,635,315,356 |
| 1945 | 354,775,542 | 35,173,051,373 | 8,728,950,555 | 3,493,528,901 | 47,750,306,371 | r44,475,303,665 |
| 1946 | 435,475,072 | 30,884,796,016 | 9,425,537,282 | 3,492,326,920 | 44,238,135,290 | r39,771,403,710 |
| 1947 | 494,078,260 | 29,305,568,454 | 10,073,840,241 | 4,634,701,652 | 44,508,188,607 | r39,786,181,036 |
| 1948[10] | 421,723,028 | 31,170,968,403 | 10,682,516,849 | 3,823,599,033 | 46,098,807,314 | r41,488,178,842 |
| 1949[10] | 384,484,796 | 29,482,283,759 | 10,825,001,116 | 2,081,735,850 | 42,773,505,520 | r37,695,549,449 |
| 1950 | 422,650,329 | 28,262,671,097 | 11,185,936,012 | 1,439,370,414 | 41,310,627,852 | r36,494,900,837 |
| 1951[11] | 624,008,052 | 37,752,553,688 | 13,353,541,306 | 1,638,568,845 | 53,368,671,892 | r47,567,613,484 |
| 1952 | 550,696,379 | 51,346,525,736 | 14,288,368,522 | 1,813,778,921 | 67,999,369,558 | r61,390,944,552 |
| 1953 | 613,419,582 | 54,362,967,793 | 15,808,006,083 | 1,864,741,185 | 72,649,134,647 | 64,825,044,026 |
| 1954 | 562,020,618 | 53,905,570,964 | 16,394,080,537 | 2,311,263,612 | 73,172,935,738 | 64,655,386,989 |

r Revised to exclude from both net budget receipts and budget expenditures the appropriations of receipts to the railroad retirement account.

[1] From 1789 to 1842 the fiscal year ended Dec. 31; from 1844 to date, on June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.

[2] For postal receipts and expenditures, see table 12.

[3] Effective Jan. 3, 1949, amounts refunded by the Government, principally for the overpayment of taxes, are being reported as deductions from total receipts rather than as expenditures. Also, effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations for retirement of capital stock and for disposition of earnings, have been excluded in reporting both budget receipts and expenditures. Neither of these changes affects the size of the budget surplus or deficit. Prior year figures, beginning with the fiscal year 1931, have been adjusted accordingly for comparative purposes. The amounts that have been adjusted on account of refunds of receipts and capital transfers for the fiscal years 1931 through 1948 are as follows:

| | Refunds of receipts | Capital transfers | | Refunds of receipts | Capital transfers |
|---|---|---|---|---|---|
| 1931 | $74,081,709 | ........... | 1940 | $78,704,894 | $43,756,731 |
| 1932 | 81,812,320 | ........... | 1941 | 80,189,469 | 299,741,000 |
| 1933 | 58,483,799 | ........... | 1942 | 84,775,537 | 18,000,000 |
| 1934 | 51,286,138 | ........... | 1943 | 70,325,408 | 9,815,514 |
| 1935 | 70,553,357 | ........... | 1944 | 257,254,269 | ........... |
| 1936 | 47,019,926 | ........... | 1945 | 1,678,777,924 | 16,167,609 |
| 1937 | 49,989,542 | $250,000 | 1946 | 2,973,027,879 | 37,881,965 |
| 1938 | 93,037,478 | ........... | 1947 | 3,006,090,396 | 210,136,503 |
| 1939 | 61,426,683 | ........... | 1948 | 2,271,874,777 | 262,896,807 |

[4] Total receipts less refunds of receipts beginning with fiscal 1931, and less appropriations of receipts to the Federal old-age and survivors insurance trust fund beginning with fiscal 1937 and to the railroad retirement account beginning with fiscal 1938.

[5] Excludes civil expenditures under War and Navy Departments in Washington through 1915. Subsequent to 1915 includes all expenditures made by the Departments of the Army (including rivers and harbors and Panama Canal), Navy, and, beginning with the fiscal year 1949, the Air Force, irrespective of the original source of funds. Beginning with 1952, Department of Defense expenditures not classified by these three departments are included in "Other."

fiscal years 1789-1954[1]--Continued

| Expenditures | | | | | | Surplus, or deficit (-)[7] |
|---|---|---|---|---|---|---|
| Department of the Army (formerly War Department)[5 6] | Department of the Navy[5] | Department of the Air Force[5 9] | Interest on the public debt | Other[2 7] | Total expenditures[3 7] | |
| $370,980,708 | $346,142,001 | ............. | $881,806,662 | $1,464,175,961 | $3,063,105,332 | $717,043,353 |
| 364,089,945 | 312,743,410 | ............. | 831,937,700 | 1,588,840,768 | 3,097,611,823 | 865,143,867 |
| 369,114,122 | 318,909,096 | ............. | 787,019,578 | 1,498,986,878 | 2,974,029,674 | 1,155,364,766 |
| 400,989,683 | 331,335,492 | ............. | 731,764,476 | 1,639,175,204 | 3,103,264,855 | 939,083,301 |
| 425,947,194 | 364,561,544 | ............. | 678,330,400 | 1,830,020,348 | 3,298,859,486 | 734,390,739 |
| 464,853,515 | 374,165,639 | ............. | 659,347,613 | 1,941,902,117 | 3,440,268,884 | 737,672,818 |
| 486,141,754 | 353,768,185 | ............. | 611,559,704 | 2,125,964,360 | 3,577,434,003 | -461,877,080 |
| 476,305,311 | 357,517,834 | ............. | 599,276,631 | 3,226,103,049 | 4,659,202,825 | -2,735,289,708 |
| 434,620,860 | 349,372,794 | ............. | 689,365,106 | 3,149,506,267 | 4,622,865,028 | -2,601,652,085 |
| 408,586,783 | 296,927,490 | ............. | 756,617,127 | 5,231,768,454 | 6,693,899,854 | -3,629,631,943 |
| 487,995,220 | 436,265,532 | ............. | 820,926,353 | 4,775,778,841 | 6,520,965,945 | -2,791,052,100 |
| 618,587,184 | 528,882,143 | ............. | 749,396,802 | 6,596,619,790 | 8,493,485,919 | -4,424,549,230 |
| 628,104,285 | 556,674,066 | ............. | 866,384,331 | 5,704,858,728 | 7,756,021,409 | -2,777,420,714 |
| 644,263,842 | 596,129,739 | ............. | 926,280,714 | 4,625,163,465 | [r]6,791,837,760 | -1,176,616,598 |
| 695,256,481 | 672,722,327 | ............. | 940,539,764 | 6,549,938,998 | [r]8,858,457,570 | -3,862,158,040 |
| 907,160,151 | 891,484,523 | ............. | 1,040,935,697 | 6,222,451,833 | [r]9,062,032,204 | -3,918,019,161 |
| 3,938,943,048 | 2,313,057,956 | ............. | 1,110,692,812 | 5,899,509,926 | [r]13,262,203,742 | -6,159,272,358 |
| 14,325,508,098 | 8,579,588,976 | ............. | 1,260,085,336 | 9,880,496,406 | [r]34,045,678,816 | -21,490,242,732 |
| 42,525,562,523 | 20,888,349,026 | ............. | 1,808,160,396 | 14,185,059,207 | [r]79,407,131,152 | -57,420,430,365 |
| 49,438,330,158 | 26,537,633,877 | ............. | 2,608,979,806 | 16,473,764,057 | [r]95,058,707,898 | -51,423,392,541 |
| 50,490,101,935 | 30,047,152,135 | ............. | 3,616,686,048 | 14,262,279,670 | [r]98,416,219,788 | -53,940,916,126 |
| 27,986,769,041 | 15,164,412,379 | ............. | 4,721,957,683 | 12,574,435,216 | [r]60,447,574,319 | -20,676,170,609 |
| 9,172,138,869 | 5,597,203,036 | ............. | 4,957,922,484 | 19,305,128,987 | [r]39,032,393,376 | 753,787,660 |
| 7,698,556,403 | 4,284,619,125 | ............. | 5,211,101,865 | 15,874,431,605 | [r]33,068,708,998 | 8,419,469,844 |
| 7,862,397,097 | 4,434,705,920 | $1,690,460,724 | 5,339,396,336 | 20,180,029,420 | [r]39,506,989,497 | -1,811,440,048 |
| 5,789,467,599 | 4,129,545,653 | 3,520,632,580 | 5,749,913,064 | 20,427,444,299 | [r]39,617,003,195 | -3,122,102,357 |
| 8,635,938,754 | 5,862,548,845 | 6,358,603,828 | 5,612,654,812 | 17,588,084,620 | [r]44,057,830,859 | 3,509,782,624 |
| 17,452,710,349 | 10,231,264,765 | 12,851,619,343 | 5,859,263,437 | 19,012,727,036 | [r]65,407,584,930 | -4,016,640,378 |
| 17,054,333,370 | 11,874,830,152 | 15,085,227,952 | 6,503,580,030 | 23,756,285,980 | 74,274,257,484 | -9,449,213,457 |
| 13,515,388,452 | 11,292,803,940 | 15,668,473,393 | 6,382,485,640 | 20,913,201,820 | 67,772,353,245 | -3,116,966,256 |

[6] Title was changed pursuant to act of July 26, 1947. Figures for Department of the Army include expenditures of Department of the Air Force from funds made available prior to fiscal year 1949. Expenditures for Office of the Secretary of Defense are included in "Other."

[7] The practice of including statutory debt retirements in budget expenditures was discontinued effective with the fiscal year 1948. Such expenditures are not included in this table, nor does the "Surplus or deficit" take into account such expenditures. Table 31 shows details of statutory debt retirements.

[8] Beginning with 1932, tonnage tax has been covered into Treasury as miscellaneous receipts included in "Other receipts."

[9] Expenditures for the Department of the Air Force formerly included under Department of the Army.

[10] Sec. 114 (f) of the Economic Cooperation Act of 1948, approved Apr. 3, 1948, required that the sum of $3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund" and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures." The effect of this was to charge the budget in the fiscal year 1948 for expenditures made in the fiscal year 1949, with consequent effect on the budget surplus or deficit of those years. This bookkeeping transaction had no effect on the actual timing of either receipts or expenditures. In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of $3,000,000,000 in the fiscal year 1948 to the Foreign Economic Cooperation trust fund; expenditures of $3,000,000,000 during the fiscal year 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table. If effect is given to Sec. 114 (f) of the Economic Cooperation Act of 1948, the budget results for the fiscal years 1948 and 1949 would be as follows:

| | Fiscal year 1948 | Fiscal year 1949 |
|---|---|---|
| Budget receipts.............................. | $42,210,770,493 | $38,245,667,810 |
| Budget expenditures.......................... | 36,791,300,649 | 37,057,107,858 |
| Budget surplus........................ | 5,419,469,844 | 1,188,559,952 |

[11] Beginning with the fiscal year 1951, investments of wholly owned Government corporations in public debt securities are excluded from budget expenditures and included with other investments under "Trust account and other transactions." See tables 4 and 6.

TABLE 3.--Budget receipts and expenditures monthly for fiscal year 1954 and totals for 1953 and 1954

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Table"]

| Receipts[1] | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Internal revenue: | | | | | | | |
| Individual income taxes withheld[2] | 1,204,715 | 2,883,350 | 1,384,417 | 1,295,548 | 2,834,050 | 1,475,702 | 1,096,508 |
| Individual income taxes--other[2] | 327,296 | 90,760 | 1,595,720 | 120,098 | 87,786 | 371,507 | 2,364,766 |
| Corporation income taxes | 650,737 | 326,464 | 1,802,922 | 413,895 | 303,679 | 1,877,269 | 439,895 |
| Excise taxes | 923,859 | 882,520 | 882,737 | 976,655 | 1,096,036 | 643,640 | 702,610 |
| Estate and gift taxes | 82,850 | 60,231 | 64,142 | 96,240 | 55,686 | 46,251 | 64,347 |
| Taxes not otherwise classified | 46 | 36 | 254 | 118 | -196 | 768 | 4,389 |
| Employment taxes: | | | | | | | |
| Federal Insurance Contributions Act and taxes on self-employed individuals[2] | 205,642 | 519,437 | 298,557 | 160,237 | 388,360 | 149,581 | 85,333 |
| Taxes on carriers and their employees | 28,356 | 83,537 | 53,278 | 15,273 | 103,616 | 37,165 | 17,430 |
| Taxes on employers of 8 or more | 4,793 | 14,509 | 822 | 4,606 | 12,787 | 2,273 | 32,735 |
| Customs | 50,947 | 47,415 | 51,321 | 50,083 | 47,926 | 43,998 | 40,406 |
| Miscellaneous receipts: | | | | | | | |
| Proceeds from Government-owned securities | 25,317 | 16,043 | 23,779 | 30,492 | 22,430 | 66,683 | 449 |
| Seigniorage | 3,362 | 5,926 | 4,304 | 4,710 | 4,912 | 6,583 | 4,465 |
| Surplus property disposal | 26,416 | 7,514 | 8,995 | 6,428 | 4,318 | 10,839 | 12,343 |
| Other | 162,709 | 108,279 | 73,116 | 80,944 | 145,764 | 112,379 | 334,709 |
| Total budget receipts | 3,697,046 | 5,046,023 | 6,244,362 | 3,255,327 | 5,107,154 | 4,844,639 | 5,200,385 |
| Deduct: | | | | | | | |
| Appropriations to Federal old-age and survivors insurance trust fund[2] | 205,642 | 519,437 | 298,557 | 160,237 | 388,360 | 149,581 | 85,333 |
| Appropriations to railroad retirement account[3] | 28,356 | 83,537 | 53,278 | 15,273 | 103,616 | 37,165 | 17,430 |
| Refunds of receipts: | | | | | | | |
| Internal revenue | 100,910 | 62,917 | 19,315 | 72,929 | 58,187 | 67,323 | 62,767 |
| Customs | 1,498 | 1,810 | 2,824 | 1,460 | 1,892 | 1,860 | 1,641 |
| Other | 218 | 527 | 244 | 403 | 223 | 290 | 79 |
| Total deductions | 336,624 | 668,229 | 374,218 | 250,303 | 552,279 | 256,219 | 167,250 |
| Net budget receipts | 3,360,421 | 4,377,794 | 5,870,144 | 3,005,024 | 4,554,874 | 4,588,419 | 5,033,135 |

| Receipts[1] | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| Internal revenue: | | | | | | | |
| Individual income taxes withheld[2] | 3,066,311 | 1,413,103 | 1,108,408 | 2,601,448 | 1,271,851 | 21,635,410 | 21,351,194 |
| Individual income taxes-other[2] | 1,044,496 | 2,454,412 | 807,803 | 140,220 | 1,342,444 | 10,747,307 | [5] 33,011,773 |
| Corporation income taxes | 396,065 | 7,353,276 | 645,104 | 357,850 | 6,955,697 | 21,522,854 | |
| Excise taxes | 774,296 | 833,937 | 763,397 | 803,731 | 731,024 | 10,014,444 | |
| Estate and gift taxes | 87,399 | 117,849 | 93,736 | 72,835 | 103,482 | 945,049 | [5] 10,825,197 |
| Taxes not otherwise classified | -1,978 | 2,343 | 2,892 | 486 | -15 | 9,142 | |
| Employment taxes: | | | | | | | |
| Federal Insurance Contributions Act and taxes on self-employed individuals[2] | 597,635 | 588,696 | 278,344 | 758,607 | 506,841 | 4,537,270 | 4,086,293 |
| Taxes on carriers and their employees | 77,488 | 49,876 | 20,910 | 70,797 | 45,315 | 603,042 | 619,959 |
| Taxes on employers of 8 or more | 183,768 | 6,047 | 4,743 | 16,782 | 1,270 | 285,135 | 276,557 |
| Customs | 40,674 | 43,971 | 52,202 | 43,903 | 49,174 | 562,021 | 613,420 |
| Miscellaneous receipts: | | | | | | | |
| Proceeds from Government-owned securities | 20,446 | 20,100 | 4,775 | 14,590 | -15,421 | 229,683 | 216,563 |
| Seigniorage | 9,624 | 15,591 | 8,799 | 3,550 | 1,484 | 73,308 | 55,846 |
| Surplus property disposal | 5,109 | -3,673 | 5,139 | 8,903 | 11,036 | 103,365 | 140,761 |
| Other | 123,531 | 117,287 | 160,194 | 143,434 | 342,560 | 1,904,907 | 1,451,572 |
| Total budget receipts | 6,424,863 | 13,012,815 | 3,956,446 | 5,037,136 | 11,346,741 | 73,172,936 | 72,649,135 |
| Deduct: | | | | | | | |
| Appropriations to Federal old-age and survivors insurance trust fund[2] | 597,635 | 588,696 | 278,344 | 758,607 | 506,841 | 4,537,270 | 4,086,293 |
| Appropriations to railroad retirement account[3] | 77,488 | 49,876 | 20,910 | 70,797 | 45,315 | 603,042 | 619,959 |
| Refunds of receipts: | | | | | | | |
| Internal revenue | 304,413 | 937,739 | 902,211 | 608,423 | 148,363 | 3,345,496 | 3,094,798 |
| Customs | 969 | 1,835 | 2,061 | 901 | 1,729 | 20,482 | 16,949 |
| Other | 188 | 476 | 2,162 | 6,275 | 173 | 11,260 | 6,091 |
| Total deductions | 980,692 | 1,578,621 | 1,205,689 | 1,445,003 | 702,420 | 8,517,549 | 7,824,091 |
| Net budget receipts | 5,444,170 | 11,434,194 | 2,750,757 | 3,592,133 | 10,644,320 | 64,655,387 | 64,825,044 |

Footnotes at end of table.

TABLE 3.--Budget receipts and expenditures monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Expenditures[6] | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Legislative branch | 1,899 | 623 | 8,023 | 10,344 | 2,632 | 7,599 | 9,946 |
| The Judiciary | 2,066 | 2,446 | 2,322 | 2,106 | 2,324 | 2,577 | 2,229 |
| Executive Office of the President | 986 | 684 | 1,340 | 592 | 875 | 728 | 734 |
| Funds appropriated to the President: | | | | | | | |
| Mutual security[7] | 94,129 | 80,579 | 91,301 | 98,298 | 100,666 | 99,173 | 104,283 |
| Mutual military program: | | | | | | | |
| Defense Department | 189,180 | 183,138 | 203,050 | 201,597 | 279,752 | 539,240 | 235,644 |
| All other agencies | 10,486 | 8,394 | 7,077 | 7,849 | 27,803 | 13,283 | 16,795 |
| Other | 23,363 | 20,145 | 17,532 | 24,524 | 26,249 | 26,614 | 53,521 |
| Total funds appropriated to the President | 317,158 | 292,256 | 318,960 | 332,267 | 434,469 | 678,310 | 410,243 |
| Independent offices: | | | | | | | |
| Atomic Energy Commission[7] | 114,646 | 157,326 | 148,687 | 199,125 | 139,095 | 186,569 | 165,262 |
| Civil Service Commission | 32,765 | 2,179 | 1,530 | 1,570 | 1,473 | 2,211 | 1,907 |
| Export-Import Bank of Washington (net) | 6,319 | 120,423 | 54,822 | 38,206 | 37,576 | 1,755 | -51,605 |
| Farm Credit Administration: | | | | | | | |
| Federal Farm Mortgage Corporation (net) | 338 | -1,369 | 486 | -1,734 | -298 | -1,105 | -516 |
| Federal intermediate credit banks (net) | -1,726 | 1,992 | -5,030 | -32,076 | 12,372 | -2,850 | -188,659 |
| Production credit corporations (net) | 8 | 32 | -14 | 12 | (*) | -188 | 3,043 |
| Other | -852 | 78 | -58 | 384 | 163 | 255 | 175 |
| Total Farm Credit Administration | -2,232 | 733 | -4,616 | -33,414 | 12,238 | -3,888 | -185,958 |
| Federal Civil Defense Administration: | | | | | | | |
| Civil defense procurement fund (net) | -471 | -288 | -389 | -27 | -72 | -105 | -96 |
| Other | 5,722 | -9,150 | 6,584 | 14,300 | 3,362 | 2,990 | 17,608 |
| Reconstruction Finance Corporation (net) | -21,332 | -2,498 | -1,421 | -4,286 | -9,140 | -42,508 | -14,548 |
| Small Business Administration[7] | 81 | 418 | 34 | 192 | 317 | 311 | 8 |
| Tennessee Valley Authority (net) | 22,502 | 18,064 | 16,079 | 22,620 | 21,580 | 27,327 | 6,498 |
| United States Information Agency | .............. | 1,649 | 5,977 | 9,335 | 5,392 | 6,211 | 5,964 |

| Expenditures[6] | Fiscal year 1954: February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| Legislative branch | 1,614 | 2,960 | 7,062 | 6,318 | -100 | 58,919 | 60,849 |
| The Judiciary | 2,301 | 2,824 | 2,419 | 2,154 | 2,589 | 28,356 | 27,428 |
| Executive Office of the President | 686 | 763 | 666 | 868 | 571 | 9,493 | 8,937 |
| Funds appropriated to the President: | | | | | | | |
| Mutual security[7] | 155,927 | 111,121 | 91,534 | 94,955 | 104,980 | 1,226,945 | 1,702,574 |
| Mutual military program: | | | | | | | |
| Defense Department | 186,779 | 300,656 | 287,281 | 278,598 | 445,491 | 3,330,406 | 3,810,626 |
| All other agencies | 7,342 | 20,020 | 55,410 | 52,727 | 70,959 | 298,144 | 145,266 |
| Other | 28,575 | 23,171 | 31,843 | 43,845 | 107,343 | 426,725 | 123,532 |
| Total funds appropriated to the President | 378,624 | 454,967 | 466,068 | 470,125 | 728,773 | 5,282,220 | 5,781,997 |
| Independent offices: | | | | | | | |
| Atomic Energy Commission[7] | 159,530 | 181,423 | 164,100 | 169,056 | 110,181 | 1,894,999 | 1,790,922 |
| Civil Service Commission | 711 | 2,002 | 1,836 | -194 | 2,020 | 50,009 | 345,631 |
| Export-Import Bank of Washington (net) | -2,004 | -73,960 | 5,132 | 10,488 | -47,908 | 99,243 | 117,331 |
| Farm Credit Administration: | | | | | | | |
| Federal Farm Mortgage Corporation (net) | -407 | -564 | -481 | -368 | -401 | -6,418 | -9,286 |
| Federal intermediate credit banks (net) | 13,068 | 48,506 | 42,644 | 41,861 | 31,369 | -38,531 | -72,111 |
| Production credit corporations (net) | 6,741 | -10,244 | -439 | 70 | -353 | -1,331 | -2,477 |
| Other | 184 | -6,909 | -7,335 | -6,935 | -7,062 | -27,911 | 1,356 |
| Total Farm Credit Administration | 19,585 | 30,790 | 34,389 | 34,628 | 23,553 | -74,191 | -82,517 |
| Federal Civil Defense Administration: | | | | | | | |
| Civil defense procurement fund (net) | 108 | 200 | -329 | -48 | -1,223 | -2,740 | 140 |
| Other | 3,430 | 3,867 | 3,846 | 4,029 | 5,141 | 61,729 | 49,978 |
| Reconstruction Finance Corporation (net) | -31,920 | -14,066 | -52,853 | -2,537 | -180,362 | -377,471 | -148,280 |
| Small Business Administration[7] | 803 | 995 | 921 | 707 | 1,852 | 6,639 | 508 |
| Tennessee Valley Authority (net) | 16,466 | 19,511 | 26,500 | 14,793 | 26,108 | 238,048 | 184,353 |
| United States Information Agency | 5,885 | 4,195 | 11,960 | 5,972 | 8,430 | 70,972 | ............. |

Footnotes at end of table.

TABLE 3.--Budget receipts and expenditures monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Expenditures[6] | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Independent offices--Continued | | | | | | | |
| Veterans' Administration: | | | | | | | |
| Compensation, pensions, and benefit programs.... | 260,781 | 181,054 | 337,713 | 257,693 | 270,565 | 271,324 | 184,102 |
| Public enterprise funds (net)................... | 6,348 | 2,462 | 4,583 | 6,224 | 5,392 | 7,881 | 20,531 |
| Other........................................... | 100,343 | 166,532 | -14,691 | 76,499 | 72,923 | 96,605 | 138,562 |
| Total Veterans' Administration................. | 367,472 | 350,048 | 327,605 | 340,415 | 348,880 | 375,811 | 343,196 |
| Other independent offices........................ | 56,064 | 18,314 | 17,290 | 16,110 | 18,965 | 23,314 | 18,078 |
| Total independent offices........................ | 581,536 | 657,219 | 572,180 | 604,148 | 579,665 | 579,998 | 306,313 |
| General Services Administration: | | | | | | | |
| Strategic and critical materials..................... | 60,720 | 47,637 | 47,333 | 46,487 | 46,802 | 65,785 | 45,389 |
| Public enterprise funds (net)......................... | -44 | -48 | -28 | -1,288 | -53 | -18 | -831 |
| Other............................................... | 20,829 | 13,505 | 22,256 | 15,576 | 15,831 | 11,780 | 18,177 |
| Total General Services Administration............. | 81,505 | 61,094 | 69,562 | 60,774 | 62,580 | 77,547 | 62,735 |
| Housing and Home Finance Agency: | | | | | | | |
| Office of the Administrator: | | | | | | | |
| Federal National Mortgage Association (net)..... | (*) | 49,531 | -8,336 | -19,467 | -42,553 | -32,076 | -10,030 |
| Other public enterprise funds (net)............ | 307 | 12,795 | 1,599 | 4,539 | -425 | 622 | 1,018 |
| Other.......................................... | 2,338 | 2,420 | 2,009 | 1,811 | 12,412 | 2,440 | 6,870 |
| Home Loan Bank Board (net).......................... | 180 | -10,406 | -131 | 493 | -460 | -29 | -1,121 |
| Federal Housing Administration (net)................ | 5,790 | -27,944 | -3,982 | -7,027 | -4,416 | -9,519 | 44,236 |
| Public Housing Administration (net)[7]............... | 5,801 | -75,639 | 40,494 | -27,441 | -63,946 | 12,644 | -28,491 |
| Total Housing and Home Finance Agency............. | 14,418 | -49,242 | 31,653 | -47,093 | -99,387 | -25,918 | 12,482 |
| Agriculture Department: | | | | | | | |
| Agricultural Research Service....................... | 10,524 | 5,353 | 5,382 | 6,847 | 4,768 | 7,405 | 8,051 |
| Federal Extension Service........................... | 15,922 | 83 | 85 | 99 | 101 | 362 | 15,851 |
| Forest Service...................................... | 3,321 | 7,883 | 26,808 | 11,503 | 7,705 | 6,973 | 5,740 |
| Soil Conservation Service........................... | 6,668 | 4,761 | 4,767 | 4,578 | 4,718 | 6,350 | 4,826 |
| Flood prevention and watershed protection........... | 860 | 592 | 807 | 722 | 774 | 754 | -112 |
| Agricultural conservation program................... | 42,850 | 7,037 | 6,120 | 5,817 | 5,472 | 5,812 | 7,559 |

| Expenditures[6] | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| Independent offices--Continued | | | | | | | |
| Veterans' Administration: | | | | | | | |
| Compensation, pensions, and benefit programs.... | 252,835 | 262,605 | 372,252 | 288,183 | 273,365 | 3,212,472 | 3,313,203 |
| Public enterprise funds (net).................. | 7,269 | -18,405 | 44,639 | -7,689 | 2,602 | 81,837 | 69,780 |
| Other.......................................... | 85,094 | 96,200 | -34,239 | 71,203 | 100,086 | 955,117 | 950,542 |
| Total Veterans' Administration................ | 345,198 | 340,399 | 382,652 | 351,696 | 376,053 | 4,249,426 | 4,333,525 |
| Other independent offices......................... | 16,067 | 17,746 | 17,765 | 17,216 | 19,872 | 256,803 | 313,791 |
| Total independent offices......................... | 533,858 | 513,103 | 595,919 | 605,807 | 343,719 | 6,473,466 | 6,905,382 |
| General Services Administration: | | | | | | | |
| Strategic and critical materials.................... | 58,170 | 55,228 | 46,352 | 39,447 | 91,226 | 650,576 | 918,913 |
| Public enterprise funds (net)...................... | 329 | -53 | -44 | -82 | -493 | -2,653 | -429 |
| Other.............................................. | 12,324 | 8,619 | 12,355 | 7,565 | -1,203 | 157,614 | 188,354 |
| Total General Services Administration............. | 70,823 | 63,794 | 58,662 | 46,930 | 89,530 | 805,537 | 1,106,838 |
| Housing and Home Finance Agency: | | | | | | | |
| Office of the Administrator: | | | | | | | |
| Federal National Mortgage Association (net)..... | -16,050 | -61,396 | -72,876 | -5,348 | -2,119 | -220,719 | 378,626 |
| Other public enterprise funds (net)............ | 5,851 | 3,537 | 10,320 | 2,532 | 10,132 | 52,828 | 28,168 |
| Other.......................................... | 6,121 | 4,614 | -18,745 | 944 | -8,356 | 14,878 | 9,317 |
| Home Loan Bank Board (net)......................... | -1,053 | -1,989 | -1,703 | -1,557 | -3,325 | -21,100 | -18,161 |
| Federal Housing Administration (net)............... | -4,729 | -5,948 | 1,410 | -7,888 | -8,387 | -28,403 | -42,587 |
| Public Housing Administration[7]..................... | -94,451 | 7,472 | -113,776 | -2,227 | -72,517 | -412,077 | 29,223 |
| Total Housing and Home Finance Agency............. | -104,311 | -53,710 | -195,369 | -13,543 | -84,572 | -614,594 | 384,585 |
| Agriculture Department: | | | | | | | |
| Agricultural Research Service...................... | 6,094 | 4,446 | 8,192 | 5,245 | 6,130 | 78,437 | 76,171 |
| Federal Extension Service.......................... | 584 | 109 | 30 | 541 | 87 | 33,854 | 32,591 |
| Forest Service..................................... | 6,588 | 5,480 | 4,970 | 5,040 | 12,866 | 104,878 | 90,771 |
| Soil Conservation Service.......................... | 4,559 | 4,653 | 4,743 | 5,320 | 4,835 | 60,777 | 62,191 |
| Flood prevention and watershed protection.......... | 1,196 | 995 | 686 | 740 | 729 | 8,744 | 6,309 |
| Agricultural conservation program.................. | 7,066 | 16,831 | 29,795 | 34,168 | 2,809 | 171,335 | 272,735 |

Footnotes at end of table.

TABLE 3.--Budget receipts and expenditures, monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Expenditures[6] | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Agriculture Department--Continued | | | | | | | |
| Agricultural Marketing Service: | | | | | | | |
| Marketing services | 1,398 | 894 | 1,010 | 1,122 | 1,265 | 1,676 | 1,717 |
| National school lunch program | 735 | 233 | 12,703 | 24,371 | 2,266 | 2,728 | 25,613 |
| Removal of surplus agricultural commodities | 3,655 | 3,017 | 6,751 | 12,200 | 25,857 | 20,101 | 24,870 |
| Other | 40 | 33 | 30 | 29 | 31 | 36 | -198 |
| Commodity Credit Corporation (net) | -617 | 457,824 | 169,129 | -47,207 | 232,561 | -200,831 | 154,070 |
| Commodity Stabilization Service: | | | | | | | |
| Agricultural adjustment programs | 2,398 | 45 | 14,140 | 12,658 | 23 | 49 | -29,314 |
| Sugar Act program | 1,303 | 197 | 290 | 1,437 | 9,365 | 15,025 | 12,958 |
| Other | ............ | ............ | ............ | ............ | ............ | ............ | ............ |
| Farmers Home Administration: | | | | | | | |
| Loans | -19,766 | 38,507 | 15,361 | 17,394 | 16,289 | 20,598 | 20,948 |
| Other[7] | 3,253 | 2,099 | 2,068 | 2,104 | 2,055 | 2,896 | 1,931 |
| Rural Electrification Administration: | | | | | | | |
| Loans | -27,686 | 66,879 | 14,806 | 25,979 | 13,594 | 16,258 | 15,151 |
| Other | 856 | 582 | 595 | 583 | 532 | 790 | 587 |
| Other[7] | -21,724 | 5,542 | 36,816 | 1,131 | 5,112 | 4,461 | 49,944 |
| Total Agriculture Department | 23,992 | 601,562 | 317,668 | 81,366 | 332,489 | -88,558 | 320,193 |
| Commerce Department: | | | | | | | |
| Civil Aeronautics Administration | 13,854 | 11,553 | 16,131 | 12,932 | 11,966 | 12,562 | 13,778 |
| Civil Aeronautics Board | 415 | 289 | 304 | 886 | 5,637 | 6,454 | 6,323 |
| Maritime activities: | | | | | | | |
| Public enterprise funds (net) | -171 | -703 | -1,259 | -2,600 | -860 | -1,058 | -17,611 |
| Other | 15,424 | 12,640 | 25,500 | 51,971 | 8,582 | 21,123 | 10,742 |
| Public Roads Bureau: | | | | | | | |
| Federal-aid highway grants | 49,553 | 55,046 | 60,230 | 56,800 | 60,678 | 57,061 | 31,742 |
| Other | 11,873 | 5,090 | 5,359 | 4,871 | 4,217 | 4,190 | 2,888 |
| Other[7] | 5,801 | 38,735 | 9,926 | 6,930 | 6,812 | 5,937 | 8,662 |
| Total Commerce Department | 96,749 | 122,650 | 116,190 | 131,790 | 97,033 | 106,268 | 56,524 |

| Expenditures[6] | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| Agriculture Department--Continued | | | | | | | |
| Agricultural Marketing Service: | | | | | | | |
| Marketing services | 962 | 772 | 877 | 996 | -581 | 12,108 | 11,662 |
| National school lunch program | 1,485 | 1,234 | 11,058 | 548 | 540 | 83,517 | 82,835 |
| Removal of surplus agricultural commodities | 17,623 | 18,899 | 17,146 | 10,960 | 16,496 | 177,575 | 82,285 |
| Other | 236 | 41 | 31 | 32 | 27 | 367 | 399 |
| Commodity Stabilization Service: | | | | | | | |
| Agricultural adjustment programs | -274,827 | 35,938 | 301,519 | 561,398 | 137,336 | 1,526,294 | 1,942,657 |
| Sugar Act program | 34,607 | 25 | 6,196 | 57 | 576 | 41,462 | 12,769 |
| Commodity Credit Corporation (net) | 10,594 | 10,283 | 2,751 | 891 | 1,358 | 66,452 | 62,618 |
| Other | .............. | .............. | -24,882 | 2,365 | 14,385 | -8,131 | -2,362 |
| Farmers Home Administration: | | | | | | | |
| Loans | 34,426 | 16,014 | 12,282 | 4,975 | 3,746 | 180,775 | 166,437 |
| Other[7] | 2,028 | 2,036 | 2,198 | 1,931 | 1,887 | 26,485 | 28,967 |
| Rural Electrification Administration: | | | | | | | |
| Loans | 13,198 | 20,777 | 16,182 | 16,273 | 18,558 | 209,969 | 231,499 |
| Other | 571 | 547 | 535 | 575 | 595 | 7,348 | 7,941 |
| Other[7] | -21,397 | 24,382 | 39,384 | 7,671 | 1,902 | 133,224 | 48,449 |
| Total Agriculture Department | -154,407 | 163,462 | 433,694 | 659,727 | 224,283 | 2,915,470 | 3,216,924 |
| Commerce Department: | | | | | | | |
| Civil Aeronautics Administration | 9,624 | 9,780 | 9,815 | 8,928 | 7,158 | 138,080 | 160,852 |
| Civil Aeronautics Board | 5,988 | 7,125 | 5,614 | 5,465 | 7,741 | 52,241 | 3,773 |
| Maritime activities: | | | | | | | |
| Public enterprise funds (net) | -949 | -1,111 | -2,573 | -712 | -648 | -30,256 | 8,521 |
| Other | 8,299 | 6,488 | 7,407 | 5,647 | 11,751 | 185,573 | 226,757 |
| Public Roads Bureau: | | | | | | | |
| Federal-aid highway grants | 27,238 | 28,326 | 33,399 | 35,087 | 35,831 | 530,992 | 509,437 |
| Other | 2,236 | 2,414 | 1,883 | 3,478 | -6,025 | 42,475 | 43,275 |
| Other[7] | 3,516 | 6,854 | 6,992 | 6,193 | -25,577 | 80,781 | 110,425 |
| Total Commerce Department | 55,952 | 59,876 | 62,537 | 64,087 | 30,231 | 999,887 | 1,063,040 |

Footnotes at end of table.

TABLE 3.--Budget receipts and expenditures, monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Expenditures[6] | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Defense Department: | | | | | | | |
| Military functions: | | | | | | | |
| Office of the Secretary of Defense | 32,911 | 36,654 | 33,223 | 59,726 | 34,476 | 36,731 | 39,491 |
| Army | 1,274,639 | 1,357,882 | 1,351,024 | 1,452,042 | 965,081 | 893,915 | 1,037,966 |
| Navy[7] | 905,365 | 858,490 | 937,727 | 863,058 | 901,391 | 1,006,233 | 926,768 |
| Air Force | 1,049,887 | 1,283,566 | 1,337,472 | 1,370,112 | 1,290,556 | 1,486,418 | 1,180,883 |
| Total military functions | 3,262,802 | 3,536,592 | 3,659,446 | 3,744,938 | 3,191,502 | 3,423,296 | 3,185,108 |
| Civil functions: | | | | | | | |
| Civilian relief in Korea | 16,637 | 9,963 | 4,392 | 6,829 | 5,038 | 4,347 | 1,689 |
| Corps of Engineers | 22,266 | 50,675 | 58,292 | 55,875 | 47,826 | 40,896 | 31,135 |
| Panama Canal Company (net)[7] | -1,647 | 2,388 | 102 | -1,688 | -1,502 | 9,353 | -970 |
| Other[7] | 1,703 | -145 | -536 | 1,448 | 879 | 2,264 | 6,246 |
| Total civil functions | 38,959 | 62,881 | 62,250 | 62,463 | 52,240 | 56,860 | 38,100 |
| Undistributed (temporarily) | ............ | ............ | ............ | ............ | ............ | ............ | 176,331 |
| Health, Education, and Welfare Department: | | | | | | | |
| Office of Education: | | | | | | | |
| Grants for school construction | 12,558 | 14,669 | 11,406 | 9,992 | 8,272 | 9,262 | 2,605 |
| Other | 6,516 | 11,486 | 3,311 | 5,679 | 4,972 | 7,477 | 23,020 |
| Public Health Service: | | | | | | | |
| Grants for hospital construction | 6,344 | 7,746 | 7,152 | 5,707 | 9,620 | 9,077 | 6,703 |
| Other[7] | 12,235 | 19,100 | 11,936 | 14,846 | 9,974 | 11,185 | 15,117 |
| Social Security Administration: | | | | | | | |
| Grants to States for public assistance | 170,361 | 115,788 | 85,859 | 153,307 | 118,768 | 98,555 | 147,893 |
| Other[7] | 4,563 | 1,569 | 3,122 | 3,996 | 1,245 | 4,859 | -17,430 |
| Other | 7,578 | 2,169 | 372 | 6,300 | 3,383 | 4,178 | 7,683 |
| Total Health, Education, and Welfare Department | 220,154 | 172,527 | 123,159 | 199,825 | 156,234 | 144,592 | 185,590 |

| Expenditures[6] | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| Defense Department: | | | | | | | |
| Military functions: | | | | | | | |
| Office of the Secretary of Defense | 36,843 | 35,011 | 36,538 | 37,246 | 45,343 | 464,191 | 408,780 |
| Army | 969,597 | 921,773 | 908,669 | 789,568 | 988,149 | 12,910,305 | 16,241,695 |
| Navy[7] | 876,988 | 1,000,964 | 969,503 | 851,427 | 1,194,892 | 11,292,804 | 11,874,830 |
| Air Force | 1,272,486 | 1,314,767 | 1,222,767 | 1,155,457 | 1,704,104 | 15,668,473 | 15,085,228 |
| Total military functions | 3,155,914 | 3,272,515 | 3,137,476 | 2,833,697 | 3,932,488 | 40,335,773 | 43,610,532 |
| Civil functions: | | | | | | | |
| Civilian relief in Korea | 11,465 | 1,864 | 3,871 | 11,966 | 4,885 | 82,947 | 93,402 |
| Corps of Engineers | 30,339 | 38,330 | 39,364 | 40,834 | 54,978 | 510,810 | 691,571 |
| Panama Canal Company (net)[7] | -3,506 | -2,395 | 9,744 | -794 | 334 | 9,418 | 6,283 |
| Other[7] | 85 | -386 | -11,538 | 1,023 | 865 | 1,908 | 21,383 |
| Total civil functions | 38,383 | 37,415 | 41,441 | 53,029 | 61,063 | 605,084 | 812,639 |
| Undistributed (temporarily) | -11,363 | 41,161 | -409 | -70,587 | -135,132 | ............ | .............. |
| Health, Education, and Welfare Department: | | | | | | | |
| Office of Education: | | | | | | | |
| Grants for school construction | 5,517 | 6,397 | 9,272 | 5,373 | 18,523 | 113,846 | 135,186 |
| Other | 15,749 | 12,213 | 7,313 | 4,304 | 1,397 | 103,436 | 99,640 |
| Public Health Service: | | | | | | | |
| Grants for hospital construction | 6,480 | 10,947 | 6,478 | 5,779 | 7,885 | 89,919 | 108,909 |
| Other[7] | 10,957 | 10,512 | 15,306 | 9,691 | 11,323 | 152,181 | 162,681 |
| Social Security Administration: | | | | | | | |
| Grants to States for public assistance | 119,567 | 108,063 | 104,451 | 105,336 | 109,570 | 1,437,516 | 1,329,933 |
| Other[7] | 95 | 309 | 25,029 | 4,302 | 954 | 32,613 | 36,089 |
| Other | 2,855 | 2,615 | 6,693 | 3,561 | 4,131 | 51,518 | 47,205 |
| Total Health, Education, and Welfare Department | 161,220 | 151,057 | 174,542 | 138,346 | 153,783 | 1,981,030 | 1,919,643 |

Footnotes at end of table.

TABLE 3.--Budget receipts and expenditures, monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Expenditures[6] | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Interior Department: | | | | | | | |
| Bureau of Reclamation | 22,687 | 19,495 | 26,924 | 19,240 | 16,794 | 15,687 | 14,883 |
| Other power marketing agencies | 5,756 | 3,944 | 4,602 | 5,705 | 3,998 | 5,406 | 185 |
| Other: | | | | | | | |
| Public enterprise funds (net) | -494 | -3,985 | 361 | 175 | -754 | 411 | -567 |
| Other | 26,303 | 36,749 | 35,765 | 24,858 | 23,834 | 26,542 | 19,895 |
| Total Interior Department | 54,253 | 56,203 | 67,652 | 49,978 | 43,871 | 48,046 | 34,395 |
| Justice Department: | | | | | | | |
| Federal Bureau of Investigation | 3,642 | 5,522 | 6,300 | 6,533 | 6,445 | 9,119 | 6,427 |
| Federal prison industries | -236 | -512 | -118 | 28 | -809 | -301 | -121 |
| Other | 9,855 | 16,577 | 6,833 | 8,713 | 7,846 | 10,013 | 8,058 |
| Total Justice Department | 13,261 | 21,587 | 13,015 | 15,275 | 13,482 | 18,831 | 14,364 |
| Labor Department: | | | | | | | |
| Grants to States for employment security | 47 | 45 | 10,349 | 51,025 | 263 | 2,126 | 39,929 |
| Veterans unemployment compensation | 5,240 | 2,003 | 2,748 | 4,564 | 2,159 | 5,141 | ............. |
| Other[7] | 5,528 | 4,974 | 5,143 | 5,653 | 6,963 | 4,995 | 14,930 |
| Total Labor Department | 10,816 | 7,021 | 18,240 | 61,242 | 9,385 | 12,262 | 54,859 |
| Post Office Department: | | | | | | | |
| Postal service fund | ............ | 160,000 | ............. | ............. | 60,000 | ............. | ............. |
| Other | -746 | 11 | 12 | 18 | 1,176 | -746 | -546 |
| Total Post Office Department | -746 | 160,011 | 12 | 18 | 61,176 | -746 | -546 |
| State Department | 42,943 | 18,412 | 6,320 | 8,141 | 9,955 | 12,233 | 10,059 |
| Treasury Department: | | | | | | | |
| Coast Guard | 5,153 | 17,712 | 18,634 | 22,163 | 18,878 | 19,568 | 28,286 |
| Customs Bureau | 4,694 | 3,233 | 3,146 | 3,046 | 3,064 | 4,711 | 3,087 |

| Expenditures[6] | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| Interior Department: | | | | | | | |
| Bureau of Reclamation | 14,024 | 13,178 | 15,166 | 14,784 | 3,541 | 196,402 | 230,923 |
| Other power marketing agencies | 5,971 | 3,481 | 5,803 | 3,120 | 5,162 | 53,132 | 65,065 |
| Other: | | | | | | | |
| Public enterprise funds (net) | 1,107 | -439 | 4,572 | 525 | 1,035 | 1,946 | 6,158 |
| Other | 21,974 | 19,040 | 12,031 | 15,830 | 20,837 | 283,659 | 285,303 |
| Total Interior Department | 43,075 | 35,260 | 37,573 | 34,259 | 30,574 | 535,140 | 587,449 |
| Justice Department: | | | | | | | |
| Federal Bureau of Investigation | 6,273 | 6,279 | 6,272 | 6,223 | 6,305 | 75,340 | 72,697 |
| Federal prison industries | -443 | -292 | -280 | -226 | -26 | -3,335 | -2,933 |
| Other | 7,750 | 8,377 | 7,928 | 9,392 | 9,296 | 110,638 | 100,887 |
| Total Justice Department | 13,580 | 14,364 | 13,919 | 15,390 | 15,575 | 182,643 | 170,651 |
| Labor Department: | | | | | | | |
| Grants to States for employment security | 6,245 | 3,383 | 13,485 | 16,518 | 59,421 | 202,837 | 202,170 |
| Veterans unemployment compensation | 9,374 | 16,768 | 5,983 | 14,433 | 13,438 | 81,852 | 25,907 |
| Other[7] | 1,869 | 1,382 | 5,710 | 6,899 | 5,779 | 69,825 | 71,894 |
| Total Labor Department | 17,488 | 21,534 | 25,179 | 37,850 | 78,638 | 354,514 | 299,972 |
| Post Office Department: | | | | | | | |
| Postal service fund | 41,482 | 90,000 | .............. | .............. | [8] -39,484 | [8] 311,998 | 660,121 |
| Other | 42 | 938 | 49 | 154 | -654 | -292 | -1,194 |
| Total Post Office Department | 41,523 | 90,938 | 49 | 154 | -40,138 | 311,705 | 658,928 |
| State Department | 11,575 | 10,560 | 4,130 | 2,705 | 19,432 | 156,466 | 271,061 |
| Treasury Department: | | | | | | | |
| Coast Guard | 15,203 | 21,153 | 18,575 | 17,255 | 19,934 | 222,512 | 229,757 |
| Customs Bureau | 3,119 | 2,782 | 3,078 | 3,081 | 4,632 | 41,671 | 40,483 |

Footnotes at end of table.

TABLE 3.--Budget receipts and expenditures, monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Expenditures[6] | Fiscal year 1954 July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
|---|---|---|---|---|---|---|---|
| Treasury Department--Continued | | | | | | | |
| Fiscal Service: | | | | | | | |
| Interest on the public debt | 236,729 | 205,972 | 560,168 | 353,899 | 164,292 | 1,294,463 | 245,434 |
| Interest on uninvested trust funds | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Claims, judgments, private laws, etc.: | | | | | | | |
| Defense Department | ........... | ........... | ........... | ........... | ........... | ........... | 104,066 |
| Other agencies | 9,524 | 23,224 | 16,950 | 19,708 | 10,345 | 19,923 | -84,401 |
| Other[7] | 7,485 | 5,701 | 6,741 | 5,234 | 6,842 | 8,143 | 5,697 |
| Internal Revenue Service: | | | | | | | |
| Interest on refunds of taxes | 10,732 | 4,584 | 4,892 | 6,124 | 6,624 | 4,488 | 11,068 |
| Other | 30,537 | 20,441 | 22,166 | 21,462 | 21,114 | 30,223 | 22,146 |
| Other[7] | 2,203 | 1,663 | 1,240 | 2,750 | 1,102 | 1,652 | 4,335 |
| Total Treasury Department | 307,056 | 282,529 | 633,936 | 434,385 | 232,262 | 1,383,170 | 339,717 |
| District of Columbia--Federal contribution and loans | 2,133 | 11,017 | ........... | ........... | ........... | ........... | -1,150 |
| Total budget expenditures | 5,071,940 | 6,018,071 | 6,021,926 | 5,752,561 | 5,182,786 | 6,437,096 | 5,218,228 |
| Budget surplus (+) or deficit (-) | -1,711,519 | -1,640,277 | -151,782 | -2,747,537 | -627,912 | -1,848,677 | -185,093 |

*Less than $500.
[1] Internal revenue and customs receipts are stated on the basis of reports of collections received from collecting officers. Other receipts are reported on the basis of confirmed deposits recorded in Treasury accounts.
[2] Distribution between income taxes and employment taxes is made in accordance with provisions of Sec. 109 (a) (2) of the Social Security Act Amendments of 1950 for appropriation to the Federal old-age and survivors insurance trust fund.
[3] Amounts equal to taxes on carriers and their employees (minus refunds) are appropriated to the railroad retirement account.

| Expenditures[6] | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| Treasury Department—Continued | | | | | | | |
| Fiscal Service: | | | | | | | |
| Interest on the public debt | 371,633 | 587,920 | 350,335 | 248,710 | 1,762,932 | 6,382,485 | 6,503,580 |
| Interest on uninvested trust funds | .............. | .............. | 4,139 | 726 | 52 | 4,916 | 4,746 |
| Claims, judgments, private laws, etc.: | | | | | | | |
| Defense Department | 24,126 | 15,294 | 14,974 | 12,483 | -45,610 | 125,332 | 136,679 |
| Other agencies | 396 | 2,841 | 4,448 | 1,934 | 62,645 | 87,536 | |
| Other[7] | 6,142 | 8,057 | 7,381 | 6,111 | 9,026 | 82,559 | 87,445 |
| Internal Revenue Service: | | | | | | | |
| Interest on refunds of taxes | 3,274 | 10,071 | 8,086 | 2,977 | 9,603 | 82,524 | 74,363 |
| Other | 23,870 | 22,499 | 21,766 | 21,841 | 34,343 | 292,408 | 284,852 |
| Other[7] | 3,114 | 1,529 | -3,929 | 913 | -420 | 16,151 | 13,747 |
| Total Treasury Department | 450,877 | 672,145 | 428,853 | 316,031 | 1,857,136 | 7,338,095 | 7,375,653 |
| District of Columbia Federal contribution and loans | .............. | .............. | 1,150 | .............. | .............. | 13,150 | 11,750 |
| Total budget expenditures | 4,707,412 | 5,554,986 | 5,295,560 | 5,203,345 | 7,308,444 | 67,772,353 | 74,274,257 |
| Budget surplus (+) or deficit (-) | +736,758 | +5,879,208 | -2,544,803 | -1,611,213 | +3,335,876 | -3,116,966 | -9,449,213 |

4 In certain classifications, receipts and expenditures reported for the month of June include adjustments of prior months.

5 Breakdown not available.

6 Expenditures are stated on the basis of checks issued and cash payments made as reported by Government disbursing officers.

7 Includes certain public enterprise funds stated on a net basis.

8 Transactions for the fiscal year 1954 are reported on the basis of cash receipts and expenditures recorded in the accounts of the Post Office Department. This change is consistent with the treatment of transactions of other agencies of the Government. Adjustment to this basis is included in the month of June.

TABLE 4.--Trust account and other transactions, monthly for the fiscal year 1954 and totals for 1953 and 1954

[In thousands of dollars. On basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

| Trust accounts, etc. Receipts | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Federal employees' retirement funds: | | | | | | | |
| Civil service retirement fund: | | | | | | | |
| Deductions from salaries and other receipts.... | 37,454 | 36,463 | 35,154 | 33,072 | 36,431 | 34,338 | 34,145 |
| District of Columbia and Government corporations contributions.... | 20 | 2,430 | 1,456 | .......... | .......... | .......... | .......... |
| Interest and profits on investments.... | 109 | 224 | 337 | 454 | 572 | 690 | 829 |
| Transfers from general fund (U. S. share).... | .......... | 31,397 | .......... | .......... | .......... | .......... | .......... |
| Foreign service retirement fund: | | | | | | | |
| Deductions from salaries and other receipts.... | 69 | 47 | 65 | 59 | 43 | 72 | 49 |
| Interest and profits on investments.... | 1 | 1 | 2 | 2 | 3 | 4 | 7 |
| Federal old-age and survivors insurance trust fund: | | | | | | | |
| Appropriations (transfers from general fund)[1].... | 205,642 | 519,437 | 298,557 | 160,237 | 388,360 | 149,581 | 85,333 |
| Deposits by States.... | 8,132 | 10,447 | 691 | 13,448 | 9,991 | 1,098 | 490 |
| Interest and profits on investments.... | 1 | -1 | 10,917 | 14,818 | .......... | 190,960 | 268 |
| Transfers from railroad retirement account.... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Other.... | 3 | 4 | 3 | 20 | 2 | 2 | 9 |
| Railroad Retirement Board: | | | | | | | |
| Railroad retirement account: | | | | | | | |
| Appropriations (transfers from general fund)[2].. | [3] 48,065 | 94,036 | 53,920 | 13,628 | 89,957 | 52,092 | 12,272 |
| Interest on investments.... | 99 | 176 | 307 | 398 | 537 | 894 | 715 |
| Unemployment insurance contributions for administrative expenses.... | 41 | 824 | 1,692 | 7 | 359 | 2,186 | 127 |
| Unemployment trust fund: | | | | | | | |
| Deposits by States.... | 60,428 | 319,975 | 10,317 | 39,148 | 253,477 | 7,211 | 28,443 |
| Interest on investments.... | 26 | .......... | 348 | 10,501 | .......... | 102,824 | 147 |
| Railroad unemployment insurance account: | | | | | | | |
| Deposits by Railroad Retirement Board.... | 61 | 1,238 | 2,539 | 10 | 410 | 3,408 | 24 |
| Transfers from railroad unemployment insurance administration fund.... | 4,244 | .......... | .......... | .......... | .......... | .......... | .......... |
| Veterans' life insurance funds: | | | | | | | |
| Government life insurance fund: | | | | | | | |
| Interest and profits on investments.... | 12 | .......... | 21 | 674 | 42 | 44 | 39 |
| Premiums and other receipts.... | 4,614 | 2,805 | 1,689 | 2,798 | 2,042 | 3,124 | 4,007 |
| National service life insurance fund: | | | | | | | |
| Interest on investments.... | .......... | .......... | 59 | 21 | 112 | 496 | 155 |
| Premiums and other receipts.... | 35,517 | 30,486 | 28,602 | 34,413 | 29,302 | 30,544 | 33,314 |
| Transfers from general fund.... | 8 | 20,611 | 4,225 | 4,268 | 5,324 | 4,896 | 3,152 |

| Trust accounts, etc. Receipts | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| Federal employees' retirement funds: | | | | | | | |
| Civil service retirement fund: | | | | | | | |
| Deductions from salaries and other receipts.... | 44,208 | 35,230 | 24,069 | 33,439 | 45,058 | 429,060 | 419,341 |
| District of Columbia and Government corporations contributions.... | ........ | ........ | ........ | ........ | ........ | 3,906 | 3,854 |
| Interest and profits on investments.... | 851 | 1,057 | 1,175 | 1,257 | 218,098 | 225,654 | 214,609 |
| Transfers from general fund (U. S. share).... | ........ | ........ | ........ | ........ | ........ | 31,397 | 321,450 |
| Foreign service retirement fund: | | | | | | | |
| Deductions from salaries and other receipts.... | 58 | 44 | 61 | 47 | 90 | 701 | 768 |
| Interest and profits on investments.... | 7 | 5 | 7 | 6 | 573 | 615 | 639 |
| Federal old-age and survivors insurance trust fund: | | | | | | | |
| Appropriations (transfers from general fund)[1].... | 597,635 | 588,696 | 278,344 | 758,607 | 506,841 | 4,537,270 | 4,086,293 |
| Deposits by States.... | 11,589 | 9,113 | 6,571 | 19,127 | 1,715 | 92,412 | 43,308 |
| Interest and profits on investments.... | ........ | 10,946 | 14,818 | ........ | 196,182 | 438,909 | 386,640 |
| Transfers from railroad retirement account.... | 11,595 | ........ | ........ | ........ | ........ | 11,595 | ........ |
| Other.... | 3 | 4 | 3 | 12 | 2 | 68 | 41 |
| Railroad Retirement Board: | | | | | | | |
| Railroad retirement account: | | | | | | | |
| Appropriations (transfers from general fund)[2].. | 83,229 | 51,406 | 4,180 | 88,590 | 46,517 | [3] 637,894 | [3] 652,959 |
| Interest on investments.... | 986 | 1,854 | 1,579 | 1,142 | 89,970 | 98,659 | 89,295 |
| Unemployment insurance contributions for administrative expenses.... | 162 | 2,241 | 90 | 536 | 1,557 | 9,821 | ........ |
| Unemployment trust fund: | | | | | | | |
| Deposits by States.... | 173,779 | 15,738 | 48,904 | 270,378 | 18,164 | 1,245,961 | 1,371,105 |
| Interest on investments.... | 42 | 1,131 | 11,334 | 96 | 97,962 | 224,411 | 202,768 |
| Railroad unemployment insurance account: | | | | | | | |
| Deposits by Railroad Retirement Board.... | 700 | 2,959 | 36 | 624 | 5,825 | 17,835 | 15,042 |
| Transfers from railroad unemployment insurance administration fund.... | ........ | ........ | ........ | ........ | ........ | 4,244 | 4,865 |
| Veterans' life insurance funds: | | | | | | | |
| Government life insurance fund: | | | | | | | |
| Interest and profits on investments.... | 83 | 94 | 105 | 118 | 42,209 | 43,441 | 44,913 |
| Premiums and other receipts.... | 1,836 | 3,458 | 2,668 | 2,517 | 3,187 | 34,745 | 34,040 |
| National service life insurance fund: | | | | | | | |
| Interest on investments.... | 355 | 401 | 452 | 505 | 153,843 | 156,398 | 154,873 |
| Premiums and other receipts.... | 33,351 | 37,743 | 33,377 | 30,089 | 34,036 | 390,773 | 397,714 |
| Transfers from general fund.... | 4,911 | 5,968 | 7,895 | 5,367 | 5,477 | 72,102 | 84,035 |

Footnotes at end of table.

TABLE 4.--Trust account and other transactions, monthly for the fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Trust accounts, etc. Receipts and expenditures | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| RECEIPTS | | | | | | | |
| Other trust funds and accounts: | | | | | | | |
| Other trust accounts: | | | | | | | |
| Adjusted service certificate fund | (*) | 1 | ............ | 2 | 17 | (*) | 181 |
| District of Columbia: | | | | | | | |
| Revenues from taxes, etc | 5,559 | 4,691 | 19,060 | 19,094 | 5,386 | 16,312 | 6,816 |
| Transfers from general fund (U. S. share) | 983 | 11,017 | ............ | ............ | ............ | ............ | ............ |
| Indian tribal funds | 1,479 | 2,429 | 2,669 | 5,266 | 2,272 | 2,454 | 1,319 |
| Other | 16,906 | 70,390 | 10,653 | 26,137 | 14,276 | 55,802 | 21,013 |
| Increment resulting from reduction in the weight of the gold dollar | 2 | 9 | 19 | 14 | 3 | 6 | 3 |
| Total receipts | 429,476 | 1,159,139 | 483,305 | 378,488 | 838,919 | 659,039 | 232,854 |
| EXPENDITURES (Except investments) | | | | | | | |
| Federal employees retirement funds: | | | | | | | |
| Civil service retirement fund--annuities and refunds | 34,019 | 33,584 | 34,652 | 35,107 | 34,234 | 34,488 | 32,248 |
| Foreign service retirement fund--annuities and refunds | 167 | 158 | 160 | 161 | 189 | 174 | 293 |
| Federal old-age and survivors insurance trust fund: | | | | | | | |
| Administrative expenses: | | | | | | | |
| Bureau of Old-Age and Survivors Insurance | 4,846 | 4,516 | 4,627 | 4,632 | 5,237 | 6,790 | 4,535 |
| Reimbursements to general fund[5] | 1,944 | 2,855 | 42,568 | 2,226 | 2,226 | 2,226 | ............ |
| Benefit payments | 254,509 | 254,714 | 256,811 | 260,989 | 263,853 | 268,100 | 269,614 |
| Other | ............ | ............ | ............ | 1 | (*) | (*) | (*) |
| Railroad Retirement Board: | | | | | | | |
| Railroad retirement account: | | | | | | | |
| Administrative expenses | 478 | 494 | 500 | 505 | 401 | 588 | 574 |
| Benefit payments | 39,707 | 40,097 | 39,945 | 39,789 | 40,234 | 40,258 | 39,773 |
| Transfers to Federal old-age and survivors insurance trust fund | ............ | ............ | ............ | ............ | ............ | ............ | ............ |
| Unemployment insurance administration fund | 4,635 | 430 | 323 | 398 | 446 | 209 | 1,002 |
| Unemployment trust fund: | | | | | | | |
| Railroad unemployment insurance account: | | | | | | | |
| Benefit payments | 4,971 | 6,237 | 6,767 | 7,364 | 7,453 | 11,294 | 14,090 |
| State accounts--withdrawals by States | 69,930 | 62,430 | 64,719 | 66,089 | 97,777 | 104,406 | 164,049 |

| Trust accounts, etc. Receipts and expenditures | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| RECEIPTS | | | | | | | |
| Other trust funds and accounts: | | | | | | | |
| Other trust accounts: | | | | | | | |
| Adjusted service certificate fund | (*) | (*) | ............ | ............ | ............ | 201 | 204 |
| District of Columbia: | | | | | | | |
| Revenues from taxes, etc | 5,350 | 21,528 | 23,299 | 5,864 | 5,685 | 138,644 | 123,223 |
| Transfers from general fund (U. S. share) | ............ | ............ | ............ | ............ | 1,150 | 13,150 | 11,750 |
| Indian tribal funds | 4,779 | 2,638 | 1,085 | 4,031 | 4,069 | 34,490 | 23,092 |
| Other | 17,600 | 31,617 | 18,481 | 8,120 | -30,061 | 260,934 | 242,425 |
| Increment resulting from reduction in the weight of the gold dollar | 1 | 4 | (*) | 4 | 5 | 68 | 41 |
| Total receipts | 993,110 | 823,875 | 478,533 | 1,230,475 | 1,448,154 | 9,155,358 | r8,929,289 |
| EXPENDITURES (Except investments) | | | | | | | |
| Federal employees retirement funds: | | | | | | | |
| Civil service retirement fund--annuities and refunds | 32,870 | 35,284 | 34,418 | 33,854 | 34,366 | 409,125 | 361,297 |
| Foreign service retirement fund--annuities and refunds | 206 | 177 | 172 | 181 | 166 | 2,205 | 1,832 |
| Federal old-age and survivors insurance trust fund: | | | | | | | |
| Administrative expenses: | | | | | | | |
| Bureau of Old-Age and Survivors Insurance | 4,893 | 5,156 | 5,393 | 5,344 | 6,762 | 62,732 | 65,071 |
| Reimbursements to general fund[5] | ............ | 6,083 | 2,112 | 2,112 | 2,112 | 66,465 | 57,399 |
| Benefit payments | 275,058 | 287,371 | 293,884 | 293,969 | 296,683 | 3,275,556 | 2,627,492 |
| Other | (*) | (*) | (*) | (*) | 5 | 8 | ............ |
| Railroad Retirement Board: | | | | | | | |
| Railroad retirement account: | | | | | | | |
| Administrative expenses | 345 | 353 | 492 | 540 | 551 | 5,820 | 6,144 |
| Benefit payments | 39,785 | 40,574 | 41,782 | 41,338 | 41,302 | 484,583 | 458,930 |
| Transfers to Federal old-age and survivors insurance trust fund | 11,595 | ............ | ............ | ............ | ............ | 11,595 | ............ |
| Unemployment insurance administration fund | 542 | 647 | 575 | 861 | 3,564 | 13,634 | ............ |
| Unemployment trust fund: | | | | | | | |
| Railroad unemployment insurance account: | | | | | | | |
| Benefit payments | 14,490 | 19,439 | 19,364 | 14,686 | 13,880 | 140,034 | 97,272 |
| State accounts--withdrawals by States | 177,216 | 225,740 | 201,850 | 176,861 | 193,752 | 1,604,819 | 912,551 |

Footnotes at end of table.

TABLE 4.--Trust account and other transactions, monthly for the fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Trust accounts, etc. Expenditures (except investments) | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Veterans' life insurance funds: | | | | | | | |
| Government life insurance fund: | | | | | | | |
| Benefits and refunds | 11,062 | 6,055 | 4,584 | 8,227 | 5,228 | 5,708 | 5,793 |
| Dividend payments | ............ | ............ | ............ | 62,638 | ............ | ............ | ............ |
| National service life insurance fund: | | | | | | | |
| Benefits and refunds | 34,068 | 33,767 | 34,046 | 34,410 | 32,567 | 33,180 | 35,980 |
| Dividend payments | 14,055 | 16,594 | 16,410 | 14,905 | 12,301 | 13,583 | 11,288 |
| Other trust funds and accounts: | | | | | | | |
| Adjusted service certificate fund | 15 | 17 | 23 | 19 | 21 | 511 | 9 |
| District of Columbia | 15,923 | 15,717 | 5,745 | 19,843 | 10,400 | 7,121 | 13,669 |
| Indian tribal funds | 1,401 | 2,229 | 2,892 | 891 | 2,112 | 2,331 | 3,589 |
| Other | 11,051 | 71,410 | 32,242 | 36,862 | 7,407 | 15,734 | 18,105 |
| Deposit fund accounts (net): | | | | | | | |
| District of Columbia | -130 | 74 | 16 | -67 | 59 | 53 | -167 |
| Government sponsored corporations | 12,832 | 8,577 | 67,124 | 7,434 | 126,612 | -38,111 | -290,921 |
| Indian tribal funds | 288 | 753 | -1,693 | 3,179 | -5,047 | 1,162 | 1,449 |
| Other | 117,648 | -96,667 | -161,381 | -1,655 | -7,087 | 105,922 | -8,734 |
| Total expenditures | 633,419 | 464,041 | 451,080 | 603,947 | 636,623 | 615,729 | 316,236 |
| Excess of receipts | ............ | 695,098 | 32,225 | ............ | 202,296 | 43,310 | ............ |
| Excess of expenditures | 203,943 | ............ | ............ | 225,459 | ............ | ............ | 83,383 |

| Trust accounts, etc. Expenditures (except investments) | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954[4] | | |
| Veterans' life insurance funds: | | | | | | | |
| Government life insurance fund: | | | | | | | |
| Benefits and refunds | 5,936 | 8,395 | 7,213 | 7,098 | 8,721 | 84,020 | [6] 81,534 |
| Dividend payments | ... | ... | ... | ... | ... | 62,638 | |
| National service life insurance fund: | | | | | | | |
| Benefits and refunds | 49,223 | 41,858 | 40,587 | 38,871 | 36,192 | 444,749 | 433,932 |
| Dividend payments | 15,306 | 18,333 | 17,271 | 14,535 | 13,209 | 177,790 | 153,796 |
| Other trust funds and accounts: | | | | | | | |
| Adjusted service certificate fund | 8 | 15 | 20 | 6 | 30 | 694 | 204 |
| District of Columbia | 11,298 | 11,943 | 14,707 | 11,233 | 15,863 | 153,461 | 143,260 |
| Indian tribal funds | 1,652 | 4,182 | 790 | 1,607 | 2,364 | 26,038 | 24,703 |
| Other | 17,301 | 29,961 | 17,014 | 23,080 | 20,955 | 301,122 | 272,830 |
| Deposit fund accounts (net): | | | | | | | |
| District of Columbia | 259 | -90 | -144 | 12 | -42 | -165 | -2 |
| Government sponsored corporations | -243,970 | -48,133 | -86,225 | 27,976 | 19,668 | -437,137 | -119,880 |
| Indian tribal funds | 1,116 | -266 | -830 | 2,671 | 1,247 | 4,029 | -52 |
| Other | -4,327 | -85,624 | 199,359 | -128,827 | -53,117 | -124,490 | -409,495 |
| Total expenditures | 410,801 | 601,398 | 809,805 | 568,009 | 658,234 | 6,769,322 | 5,168,818 |
| Excess of receipts | 582,309 | 222,478 | ... | 662,466 | 789,919 | 2,386,037 | r 3,760,471 |
| Excess of expenditures | ... | ... | 331,273 | ... | ... | ... | ... |

Footnotes at end of table.

TABLE 4.--Trust account and other transactions, monthly for the fiscal year 1954 and totals for 1953 and 1954--Continued

[In thousands of dollars]

| Sales and redemptions of obligations of Government agencies in market (net) | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953. | October 1953 | November 1953 | December 1953 | January 1954 |
| Guaranteed by the United States: | | | | | | | |
| Commodity Credit Corporation | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Federal Farm Mortgage Corporation | 14 | 1 | 2 | 3 | 8 | 3 | 4 |
| Federal Housing Administration | -10,903 | -339 | -394 | -2,302 | -7,874 | -1,850 | 522 |
| Home Owners' Loan Corporation | 20 | 12 | 9 | 11 | 9 | 5 | 14 |
| Not guaranteed by the United States: | | | | | | | |
| Federal home loan banks | 10 | -165 | -98,350 | 20 | -63,990 | 25 | 10 |
| Federal intermediate credit banks | -15,410 | -725 | 23,785 | 71,855 | 31,211 | 51,574 | 27,215 |
| Federal land banks | 5 | 1 | 1 | 7 | -75,492 | 6 | 4 |
| Home Owners' Loan Corporation | (*) | (*) | (*) | (*) | (*) | ........... | 1 |
| Net sales | -26,265 | -1,215 | -74,946 | ........... | -116,128 | ........... | ........... |
| Net redemptions | ........... | ........... | ........... | 69,595 | ........... | 49,763 | 27,770 |

| Sales and redemptions of obligations of Government agencies in market (net) | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954 | | |
| Guaranteed by the United States: | | | | | | | |
| Commodity Credit Corporation | ............ | ............ | ............ | ............ | ............ | ............ | 558 |
| Federal Farm Mortgage Corporation | 5 | 2 | 4 | 5 | 1 | 51 | 87 |
| Federal Housing Administration | -478 | -734 | -3,545 | -639 | -997 | -29,534 | -7,347 |
| Home Owners' Loan Corporation | 6 | 9 | 4 | 7 | 8 | 114 | 195 |
| Not guaranteed by the United States: | | | | | | | |
| Federal home loan banks | 110,170 | 98,940 | 99,970 | -10,805 | 105 | 135,940 | 11,690 |
| Federal intermediate credit banks | 7,335 | -38,700 | -43,445 | -40,200 | -30,710 | 43,785 | 65,120 |
| Federal land banks | 3 | 6 | 1 | -71,000 | 8 | -146,450 | -45,098 |
| Home Owners' Loan Corporation | 1 | (*) | (*) | (*) | ............ | 3 | 9 |
| Net sales | ............ | ............ | ............ | -122,632 | -31,586 | ............ | ............ |
| Net redemptions | 117,042 | 59,523 | 52,988 | ............ | ............ | 3,909 | 25,214 |

Footnotes at end of table.

TABLE 4.--Trust account and other transactions, monthly for the fiscal year 1954 and totals for 1953 and 1954--Continued

| Investments of Government agencies in public debt securities (net) | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Trust accounts: | | | | | | | |
| Federal employees' retirement funds | 3,570 | 37,705 | -1,106 | -357 | 551 | 2,778 | 2,291 |
| Federal old-age and survivors insurance trust fund | 86,700 | 63,400 | 71,594 | 39,341 | 26,000 | 186,609 | -146,000 |
| Railroad retirement account | 7,099 | 53,109 | 13,088 | -26,021 | 47,359 | 13,911 | -28,108 |
| Unemployment trust fund | -3,000 | 245,000 | -54,019 | -17,000 | 139,000 | -2,019 | -150,000 |
| Veterans' life insurance funds: | | | | | | | |
| Government life insurance fund | -4,000 | ... | -3,500 | -66,000 | -3,500 | -3,000 | -2,000 |
| National service life insurance fund | ... | 10,000 | -10,000 | -10,000 | -10,000 | -10,000 | -10,000 |
| Other | -10,258 | 310 | 6,080 | 7,262 | 1,615 | -5,307 | -8,953 |
| Wholly owned Government corporations and agencies: | | | | | | | |
| Federal Housing Administration | -25,450 | ... | ... | ... | ... | 700 | 1,700 |
| Federal Savings and Loan Insurance Corporation | -8,800 | 1,000 | 1,000 | 2,000 | 1,000 | 3,000 | -7,500 |
| Other | 300 | ... | 12,100 | -235 | 19,280 | -18,474 | -12,128 |
| Government sponsored corporations: | | | | | | | |
| Banks for cooperatives | ... | 7,500 | -1,500 | -6,000 | ... | ... | -255 |
| Federal Deposit Insurance Corporation | 1,250 | ... | 1,350 | 7,500 | ... | 10,000 | 61,500 |
| Federal home loan banks | 13,683 | -22,600 | 35,700 | -6,750 | 18,401 | -12,876 | 224,800 |
| Federal land banks | ... | ... | ... | ... | ... | 4,046 | -5 |
| Net investments during period | 61,094 | 395,424 | 70,787 | -76,260 | 239,705 | 169,368 | -74,658 |

| Investments of Government agencies in public debt securities (net) | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954 | | |
| Trust accounts: | | | | | | | |
| Federal employees' retirement funds | 1,923 | -1,991 | -2,273 | -1,192 | 210,428 | 252,328 | 587,554 |
| Federal old-age and survivors insurance trust fund[4] | 38,800 | 164,918 | 245,941 | 229,000 | 515,967 | 1,522,270 | 1,544,542 |
| Railroad retirement account | 31,528 | 11,654 | -34,300 | 47,590 | 65,543 | 202,452 | 279,659 |
| Unemployment trust fund[4] | -20,000 | -225,019 | -160,000 | 79,000 | -80,019 | -248,075 | 589,960 |
| Veterans' life insurance funds: | | | | | | | |
| Government life insurance fund | -4,000 | -4,000 | -4,000 | -4,000 | 33,000 | -65,000 | -1,500 |
| National service life insurance fund | -20,000 | -20,000 | -20,000 | -20,000 | 143,000 | 23,000 | 58,835 |
| Other[4] | -777 | 5,419 | 16,287 | -855 | -9,621 | 1,202 | 9,376 |
| Wholly owned Government corporations and agencies: | | | | | | | |
| Federal Housing Administration | ............ | -10,650 | 6,900 | 5,800 | -65,100 | -86,100 | 58,750 |
| Federal Savings and Loan Insurance Corporation | 6,000 | -10,500 | 18,500 | 2,000 | 3,000 | 10,700 | 8,700 |
| Other | -11,087 | 7,312 | -40 | 220 | 1,201 | -1,551 | 12,039 |
| Government sponsored corporations: | | | | | | | |
| Banks for cooperatives | -200 | ............ | ............ | 5,000 | 4,495 | 9,040 | 5,000 |
| Federal Deposit Insurance Corporation | 5,000 | ............ | 5,000 | 50 | 10,400 | 102,050 | 86,900 |
| Federal home loan banks | 30,090 | 51,765 | -28,226 | 27,367 | -17,650 | 313,704 | 60,770 |
| Federal land banks | -1,550 | 855 | -562 | 21,312 | -5,750 | 18,346 | ............ |
| Net investments during period | 55,728 | -30,238 | 43,227 | 391,293 | 808,894 | 2,054,366 | 3,300,585 |

[r] Revised.

* Less than $500.

1 Appropriations of "Social security-employment taxes" are transferred to the Federal old-age and survivors insurance trust fund, as provided under Sec.109(a) (2) of the Social Security Act Amendments of 1950.

2 Amounts equal to taxes on carriers and their employees, minus refunds, are appropriated to the railroad retirement account.

3 Includes transfers of $34,852,000 in fiscal year 1954, and $33,000,000 in fiscal year 1953, appropriated funds for service credit payments.

4 In certain classifications, receipts and expenditures for the month of June include adjustments for prior months.

5 Represents reimbursement for certain administrative expenses paid from general appropriations.

6 Breakdown is not available.

TABLE 5.--Budget receipts and expenditures by major classifications, fiscal years 1947-1954

[In millions of dollars. On basis of daily Treasury statements through 1952. Beginning with fiscal year 1953 on basis of the "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

| Classification | 1947 | 1948 | 1949 | 1950 | 1951 | 1952 | 1953 | 1954 |
|---|---|---|---|---|---|---|---|---|
| RECEIPTS | | | | | | | | |
| Internal revenue: | | | | | | | | |
| Income and profits taxes: | | | | | | | | |
| Corporation[1] [2]........ | 19,292 | 19,735 | 19,641 | 18,189 | 24,218 | 32,826 | 33,012 | 21,523 |
| Individual: | | | | | | | | |
| Not withheld[1] [2]... | | | | | | | | 10,747 |
| Withheld[2]......... | 10,013 | 11,436 | 9,842 | 10,073 | 13,535 | 18,521 | 21,351 | 21,635 |
| Subtotal......... | 29,306 | 31,171 | 29,482 | 28,263 | 37,753 | 51,347 | 54,363 | 53,906 |
| Employment taxes: | | | | | | | | |
| Old-age insurance [2] [3]. | 1,459 | 1,616 | 1,690 | 2,106 | 3,120 | 3,569 | 4,086 | 4,537 |
| Railroad retirement[4].. | 380 | 557 | 564 | 550 | 578 | 735 | 620 | 603 |
| Unemployment insurance[5]........... | 185 | 208 | 223 | 226 | 234 | 259 | 277 | 285 |
| Subtotal............. | 2,024 | 2,381 | 2,477 | 2,883 | 3,931 | 4,562 | 4,983 | 5,425 |
| Excise taxes[1]............. | | | | | | | | 10,014 |
| Estate and gift taxes[1].... | 8,049 | 8,301 | 8,348 | 8,303 | 9,423 | 9,726 | 10,825 | 945 |
| Taxes not otherwise classified[1]................ | | | | | | | | 9 |
| Total internal revenue... | 39,379 | 41,853 | 40,307 | 39,449 | 51,106 | 65,635 | 70,171 | 70,300 |
| Customs...................... | 494 | 422 | 384 | 423 | 624 | 551 | 613 | 562 |
| Miscellaneous receipts: | | | | | | | | |
| Renegotiation of war contracts[6]................ | 279 | 162 | 76 | 27 | 28 | 13 | 39 | 36 |
| Surplus property disposal. | 2,886 | 1,929 | 589 | 264 | 214 | 193 | 141 | 103 |
| Other[7].................... | 1,470 | 1,733 | 1,417 | 1,149 | 1,397 | 1,608 | 1,685 | 2,172 |
| Total budget receipts.... | 44,508 | 46,099 | 42,774 | 41,311 | 53,369 | 67,999 | 72,649 | 73,173 |
| Less: | | | | | | | | |
| Appropriations to Federal-old age and survivors insurance trust fund[8]... | 1,459 | 1,616 | 1,690 | 2,106 | 3,120 | 3,569 | 4,086 | 4,537 |
| Appropriations to railroad retirement account[9] | 256 | 723 | 550 | 550 | 575 | 738 | 620 | 603 |
| Refunds of receipts[10]..... | 3,006 | 2,272 | 2,838 | 2,160 | 2,107 | 2,302 | 3,118 | 3,377 |
| Net receipts............ | r 39,786 | r 41,488 | r 37,696 | r 36,495 | r 47,568 | r 61,391 | 64,825 | 64,655 |
| EXPENDITURES[11] | | | | | | | | |
| National security: | | | | | | | | |
| Secretary of Defense[12].... | ........ | (*) | 5 | 161 | 343 | 402 | 409 | 464 |
| Military functions: | | | | | | | | |
| Air Force[13]........... | ........ | ......... | 1,690 | 3,506 | 6,238 | [14] 12,350 | 15,085 | 15,668 |
| Army[13]................ | 6,911 | 5,965 | 5,346 | 4,034 | 6,811 | [14] 15,364 | 16,242 | 12,910 |
| Navy.................. | 4,998 | 4,171 | 4,412 | 4,110 | 5,757 | 9,961 | 11,875 | 11,293 |
| Mutual military program[15]. | ........ | 161 | 279 | 171 | 948 | 2,292 | 3,956 | 3,629 |
| Atomic energy[16]........... | 159 | 456 | 647 | 524 | 908 | 1,648 | 1,791 | 1,895 |
| Strategic and critical materials.............. | 11 | 99 | 299 | 439 | 656 | 847 | 919 | 651 |
| Other[17].................. | 3,052 | 594 | 108 | 8 | 3 | 3 | ...... | ......... |
| Subtotal................ | 15,130 | 11,446 | 12,787 | 12,952 | 21,663 | [14] 42,867 | 50,276 | 46,510 |
| International affairs and finance: | | | | | | | | |
| Department of State....... | 133 | 229 | 265 | 299 | 277 | 214 | 271 | 156 |
| Export-Import Bank[18]...... | 938 | 465 | -60 | 45 | 88 | 25 | 117 | 99 |
| Economic and technical assistance (Mutual Security Act)[19]......... | ........ | [20] 134 | [20] 4,043 | 3,523 | 3,006 | 2,191 | 1,703 | 1,227 |
| Government and relief in occupied areas[21]........ | 514 | 881 | 1,333 | 779 | 370 | 152 | ...... | ......... |
| Civilian relief in Korea.. | ........ | ......... | ....... | ........ | 9 | 72 | 93 | 83 |
| Other[22].................. | 4,977 | 2,770 | 445 | 170 | 49 | 183 | ...... | ......... |
| Subtotal................ | 6,562 | [20] 4,479 | [20] 6,026 | 4,817 | 3,798 | 2,839 | 2,184 | 1,566 |

TABLE 5.--Budget receipts and expenditures by major classifications, fiscal years 1947-1954--Continued

[In millions of dollars]

| Classification | 1947 | 1948 | 1949 | 1950 | 1951 | 1952 | 1953 | 1954 |
|---|---|---|---|---|---|---|---|---|
| EXPENDITURES—Continued | | | | | | | | |
| Interest on the public debt[23] | 4,958 | 5,211 | 5,339 | 5,750 | 5,613 | 5,859 | 6,504 | 6,382 |
| Veterans' services and benefits | 7,259 | 6,469 | 6,878 | 6,517 | 5,333 | 4,952 | 4,334 | 4,249 |
| Other expenditures: | | | | | | | | |
| Social security, welfare, and health[24] | 979 | 1,045 | 1,165 | 1,526 | 1,640 | 1,672 | 1,801 | 1,882 |
| Housing and community development[25] | 129 | 68 | -56 | -270 | 460 | 665 | 435 | -556 |
| Agriculture and agricultural resources[26] | 1,226 | 782 | 2,658 | 2,842 | 489 | 1,063 | 2,961 | 2,653 |
| Natural resources[27] | 519 | 822 | 1,221 | 1,399 | 1,376 | 1,451 | 1,554 | 1,389 |
| Transportation and communication[28] | 939 | 1,121 | 1,393 | 1,486 | 1,499 | 1,839 | 1,841 | 1,453 |
| Finance, commerce, and industry[29] | 299 | 287 | 399 | 714 | 188 | 138 | 52 | 104 |
| Other[30] | 1,032 | 1,338 | 1,697 | 1,884 | 2,000 | 2,064 | 2,333 | 2,140 |
| Subtotal | 5,123 | 5,463 | 8,476 | 9,581 | 7,652 | 8,891 | 10,977 | 9,065 |
| Total budget expenditures | r 39,032 | r 33,069 | r 39,507 | r 39,617 | r 44,058 | r 65,408 | 74,274 | 67,772 |
| Budget surplus, or deficit (-) | 754 | 8,419 | -1,811 | -3,122 | 3,510 | -4,017 | -9,449 | -3,117 |

*Less than $500,000.

r Revised to exclude from both net budget receipts and budget expenditures the appropriations of receipts to the railroad retirement account.

1 Breakdown not available prior to fiscal year 1954.

2 Beginning January 1951, the distribution of receipts between individual income taxes and old-age insurance taxes is made in accordance with provisions of Sec. 109 (a) (2) of the Social Security Act Amendments of 1950, for appropriation to the Federal old-age and survivors insurance trust fund (see footnote 8).

3 Taxes on employers and employees under the Federal Insurance Contributions Act, as amended (26 U. S. C. 1400-1432), and beginning with the taxable year 1951, tax on self-employed individuals under the Self-Employment Contributions Act (26 U. S. C. 480-482).

4 Taxes on carriers and their employees under the Carriers Taxing Act, as amended (26 U. S. C. 1500-1503).

5 Tax on employers of 8 or more under the Federal Unemployment Tax Act, as amended (26 U. S. C. 1600-1611).

6 Includes so-called voluntary returns.

7 Includes proceeds from Government-owned securities; seigniorage; and railroad unemployment insurance contributions for administrative expenses through 1953, after which they are carried as trust account receipts under the Railroad Retirement Board. For distribution of "Other" see table 7.

8 Amounts appropriated to the Federal old-age and survivors insurance trust fund are equivalent to the amounts of taxes collected and deposited for old-age insurance (42 U. S. C. 401 (a)). The Social Security Act Amendments of 1950, approved August 28, 1950 (64 Stat. 477), changed in certain respects the basis of transferring the appropriated funds to the trust fund. Beginning January 1951, the amounts transferred currently as appropriations to the trust fund are based on estimates of old-age insurance tax receipts made by the Secretary of the Treasury pursuant to the provisions of Sec. 109 (a) (2) of the Amendments of 1950, and are adjusted in later transfers on the basis of wage and self-employment income records maintained in the Social Security Administration.

9 Excludes the Government's contribution for creditable military service under the act of April 8, 1942 (56 Stat. 204). Beginning 1952, amounts are appropriated to the railroad retirement account equal to the amount of taxes under the Railroad Retirement Tax Act deposited in the Treasury, less refunds, during each fiscal year (65 Stat. 222 and 66 Stat. 371), and transfers are made currently. Previously, annual appropriations were based, in effect, on estimated tax collections, with any necessary adjustments made in succeeding appropriations.

10 Excludes interest on refunds which is included under "Other expenditures, Other."

11 Expenditures are "net," after allowance for reimbursements to appropriations, receipts of revolving fund appropriations, and receipts credited to disbursing accounts of corporations and agencies having authority to use collections without formal covering into the Treasury. The figures include transfers to trust accounts. They exclude net investments of wholly owned Government corporations and agencies in public debt securities beginning 1951 (when these were grouped with similar investments of trust funds and accounts), and public debt retirements chargeable to the sinking fund, etc., under special provisions of law. Payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and disposition of earnings are excluded from both receipts and expenditures.

12 Includes retired pay for the military services beginning September 1949.

13 Certain expenditures on behalf of the Air Force made out of appropriations to the Department of the Army are included under "Army" and not included under "Air Force."

14 Net transactions by the Departments of the Air Force and the Army relating to "Deposit fund accounts" are included under "Trust account and other transactions" instead of "Budget receipts and expenditures" beginning 1952.

15 Consists of expenditures from funds appropriated to the President under the Mutual Security Act, approved October 10, 1951 (22 U. S. C. 1651), and the preceding Economic Cooperation Act; and Greek-Turkish assistance.

[16] Consists of expenditures of the Atomic Energy Commission.

[17] Consists of payments under the Armed Forces Leave Act, expenditures for surplus property disposal, and in 1947 also national defense expenditures of the Reconstruction Finance Corporation and certain other agencies.

[18] Excludes Bank expenditures under the Mutual Security Act and the preceding Economic Cooperation Act of 1948, as amended.

[19] Consists of expenditures from funds appropriated to the President under the Mutual Security Act, and the preceding Economic Cooperation Act.

[20] Includes transactions relating to the foreign economic cooperation trust fund.

[21] Beginning with 1953, expenditures for this purpose are not shown separately in monthly reports to the Treasury; those made by the Department of State (the greater part, currently) are included under that heading in this table; those made by other agencies (principally the Department of the Army) are not included in this table.

[22] Consists of expenditures under the Bretton Woods Agreements Act (1947); credit to the United Kingdom (1947 and 1948); expenditures of the United Nations Relief and Rehabilitation Administration; relief to countries devastated by war; various other foreign relief programs; international children's emergency funds; and loan for construction and furnishing of United Nations Headquarters.

[23] Beginning November 1949, interest on the public debt is reported as an expenditure when such interest becomes due and payable, as distinguished from the previous practice of showing the expenditure on the basis of interest paid by the Treasurer of the United States.

[24] Consists of expenditures of the Department of Health, Education, and Welfare except the Office of Education, and of the corresponding component organizations prior to the establishment of this department on April 11, 1953; the Government's contribution under the Railroad Retirement Act for creditable military service and certain other Railroad Retirement Board expenditures through 1953; and also, beginning 1950, the school lunch program under the Department of Agriculture.

[25] Consists of expenditures of the Housing and Home Finance Agency, and of component organizations prior to the establishment of this agency on July 27, 1947; Federal Civil Defense Administration; and disaster relief.

[26] Consists of expenditures of the Department of Agriculture except the Forest Service and the school lunch program; and of the Farm Credit Administration.

[27] Consists of expenditures of the Department of the Interior; the Tennessee Valley Authority; the Corps of Engineers in the Department of the Army (river and harbor work and flood control); and the Foreet Service in the Department of Agriculture.

[28] Consists of expenditures of the Civil Aeronautics Administration, Civil Aeronautics Board, Maritime activities and predecessor agencies, and Bureau of Public Roads, all now in the Department of Commerce; the Coast Guard in the Treasury Department; and the Post Office Department. Figures prior to 1954 include net expenditures of certain working funds of the Department in addition to the postal service fund (advances to cover the postal deficit). Beginning with 1954, net expenditures of the Department, including the postal service fund, are on the basis of cash receipts and expenditures recorded in the accounts of the Department.

[29] Consists of expenditures of the Department of Commerce except those included under "Transportation and communication"; the Reconstruction Finance Corporation (as in liquidation by the Treasury Department beginning July 1954); Federal Facilities Corporation beginning July 1954; the Small Business Administration; the Economic Stabilization Agency; and funds appropriated to the President for the promotion of defense production.

[30] Includes expenditures for executive departments and other agencies not included elsewhere and for legislative and judicial functions.

TABLE 6.--Trust account and other transactions by major classifications, fiscal years 1946-54

[In millions of dollars. On basis of daily Treasury statements through 1952. Beginning with fiscal year 1953 on basis of the "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables"]

| Classification | 1946 | 1947 | 1948 | 1949 | 1950 | 1951 | 1952 | 1953 | 1954 |
|---|---|---|---|---|---|---|---|---|---|
| **TRUST ACCOUNTS, ETC.,** | | | | | | | | | |
| RECEIPTS | | | | | | | | | |
| Federal old-age and survivors insurance trust fund | 1,386 | 1,623 | 1,807 | 1,924 | 2,367 | 3,411 | 3,932 | 4,516 | 5,080 |
| Railroad retirement account | 312 | 323 | 797 | 625 | 645 | 678 | 850 | r 742 | 737 |
| Unemployment trust fund | 1,280 | 1,289 | 1,313 | 1,173 | 1,281 | 1,542 | 1,643 | 1,594 | 1,492 |
| National service life insurance fund | 2,351 | 1,504 | 740 | 690 | 1,076 | 684 | 786 | 637 | 619 |
| Government life insurance fund | 103 | 134 | 90 | 92 | 87 | 86 | 87 | 79 | 78 |
| Federal employees' retirement funds[1] | 614 | 578 | 594 | 680 | 809 | 850 | 912 | 961 | 691 |
| Adjusted service certificate fund | 1 | 1 | -6 | (*) | (*) | (*) | (*) | (*) | (*) |
| Other trust funds and accounts[2] | 1,666 | 792 | [3] 1,179 | 529 | 403 | 545 | 597 | 401 | 457 |
| Total receipts | 7,712 | 6,244 | [3] 6,515 | 5,714 | 6,669 | 7,796 | 8,807 | r 8,929 | 9,155 |
| EXPENDITURES | | | | | | | | | |
| (Except net investments) | | | | | | | | | |
| Federal old-age and survivors insurance trust fund[4] | 358 | 466 | 559 | 661 | 784 | 1,569 | 2,067 | 2,750 | 3,405 |
| Railroad retirement account | 152 | 173 | 222 | 278 | 304 | 321 | 391 | 465 | 502 |
| Unemployment trust fund | 1,146 | 869 | 859 | 1,314 | 2,026 | 900 | 1,049 | 1,010 | 1,745 |
| National service life insurance fund | 280 | 282 | 302 | 348 | 2,988 | 614 | 996 | 588 | 623 |
| Government life insurance fund | 50 | 67 | 70 | 61 | 114 | 77 | 82 | 82 | 147 |
| Federal employees' retirement funds[1] | 267 | 323 | 244 | 222 | 268 | 271 | 300 | 363 | 411 |
| Other trust funds and accounts[5] [6] | 1,574 | 1,073 | 1,234 | [3] 526 | 370 | 387 | 413 | 441 | 495 |
| Deposit fund accounts (net)[6] | 647 | 372 | 367 | 414 | 96 | -194 | [7] -346 | -529 | -558 |
| Total expenditures | 4,474 | 3,625 | 3,857 | [3] 3,824 | 6,950 | 3,945 | 4,952 | 5,169 | 6,769 |
| Net receipts, or expenditures (-), of trust accounts, etc | 3,238 | 2,619 | 2,658 | 1,890 | -281 | 3,852 | 3,855 | r 3,760 | 2,386 |

Footnotes at end of table.

TABLE 6.--Trust account and other transactions by major classifications, fiscal years 1946-54 --Continued

[In millions of dollars]

| Classification | 1946 | 1947 | 1948 | 1949 | 1950 | 1951 | 1952 | 1953 | 1954 |
|---|---|---|---|---|---|---|---|---|---|
| INVESTMENTS OF GOVERNMENT AGENCIES IN PUBLIC DEBT SECURITIES (NET) | | | | | | | | | |
| Federal old-age and survivors insurance trust fund | 1,002 | 1,194 | 1,194 | 1,294 | 1,414 | 1,678 | 1,950 | 1,545 | 1,522 |
| Railroad retirement account | 156 | 148 | 569 | 346 | 338 | 357 | 449 | 280 | 202 |
| Unemployment trust fund | 102 | 443 | 446 | -160 | -724 | 650 | 583 | 590 | -248 |
| National service life insurance fund | 2,053 | 1,234 | 461 | 353 | -1,946 | 94 | -245 | 59 | 23 |
| Government life insurance fund | 47 | 60 | 32 | 32 | -26 | 8 | 1 | -2 | -65 |
| Federal employees' retirement funds[1] | 309 | 282 | 363 | 447 | 543 | 573 | 624 | 588 | 252 |
| Other trust funds and accounts[8] | -2 | (*) | -6 | (*) | (*) | 9 | -6 | 9 | 1 |
| Government corporations and agencies[9] | ....... | ....... | ...... | ....... | ....... | 187 | 281 | 232 | 366 |
| Total investment transactions (net) | 3,668 | 3,362 | 3,060 | 2,311 | -402 | 3,557 | 3,636 | 3,301 | 2,054 |
| SALES AND REDEMPTIONS OF OBLIGATIONS OF GOVERNMENT AGENCIES IN MARKET (NET) | | | | | | | | | |
| Guaranteed | 160 | 387 | 16 | 46 | 8 | -10 | -16 | -7 | -29 |
| Not guaranteed | -66 | -28 | -123 | 28 | 14 | -374 | 88 | 32 | 33 |
| Net sales | ....... | ....... | 107 | ....... | ....... | 384 | ....... | ...... | ....... |
| Net redemptions | 95 | 359 | ....... | 74 | 22 | ...... | 72 | 25 | 4 |
| Net of trust account and other transactions, excess of receipts, or expenditures (-) | -524 | -1,103 | -294 | -495 | 99 | 679 | 147 | r 435 | 328 |

r Revised.
* Less than $500,000.
1 Consists of civil service and foreign service retirement funds.
2 Includes District of Columbia, Indian tribal funds, island possessions, increment resulting from reduction in weight of gold dollar, and through 1950, seigniorage on silver. Thereafter any such seigniorage is included as seigniorage under budget receipts. Beginning with the fiscal year 1954, includes the railroad unemployment insurance administration fund, previously classified as a budget account. (See table 5, footnote 7).
3 Excludes Foreign Economic Cooperation trust fund. (See table 1, footnote 7.)
4 Includes reimbursement for certain administrative expenses met out of general fund appropriations, and beginning Dec. 31, 1952, for employment tax refunds as provided under Sec. 109(a) (9) of the Social Security Act Amendments of 1950.
5 Includes adjusted service certificate fund, District of Columbia, Indian tribal funds, expenditures chargeable against increment on gold and beginning in the fiscal year 1950, mutual defense assistance trust fund. Beginning with the fiscal year 1954, includes the railroad unemployment insurance administration fund, previously classified as a budget account (see table 5, footnote 7).
6 Excludes net investments in public debt securities beginning 1951. (See footnotes 8 and 9.)
7 Includes transactions by the Air Force and the Army beginning 1952.
8 Consists of adjusted service certificate fund prior to 1951; beginning with that year includes also investments of other accounts which for prior years are included in expenditures of "Other trust funds and accounts".and "Deposit fund accounts (net)."
9 Consists of net investments of Government corporations which for prior years are included in expenditures of "Deposit fund accounts (net)" and net investments of wholly owned Government corporations and agencies, which for prior years are included in budget expenditures.

TABLE 7.--Budget receipts and expenditures, actual for the fiscal year 1954 and estimated for 1955 and 1956

[In millions of dollars. On basis of 1956 Budget document]

| Source | 1954 actual | 1955 estimate | 1956 estimate |
|---|---|---|---|
| BUDGET RECEIPTS | | | |
| Individual income taxes: | | | |
| Withheld | [1] 21,635 | 21,100 | 22,000 |
| Other | [1] 10,747 | 9,600 | 10,500 |
| Total individual income taxes | 32,383 | 30,700 | 32,500 |
| Corporation income and excess profits taxes: | | | |
| Under existing legislation | 21,523 | 18,466 | 15,984 |
| Under proposed legislation | ....... | ........ | 1,050 |
| Total corporation income and excess profits taxes under existing and proposed legislation | 21,523 | 18,466 | 17,034 |
| Excise taxes: | | | |
| Alcohol taxes: | | | |
| Under existing legislation: | | | |
| Distilled spirits (domestic and imported) | 1,888 | 1,822 | 1,805 |
| Fermented malt liquors | 770 | 710 | 688 |
| Rectification tax | 25 | 23 | 24 |
| Wines (domestic and imported) | 79 | 85 | 82 |
| Special taxes in connection with liquor occupations | 22 | 21 | 21 |
| Container stamps | 13 | 7 | 1 |
| All other | 1 | 1 | 1 |
| Total alcohol taxes under existing legislation | 2,798 | 2,669 | 2,622 |
| Under proposed legislation | ....... | 64 | 210 |
| Total alcohol taxes under existing and proposed legislation | 2,798 | 2,733 | 2,832 |
| Tobacco taxes: | | | |
| Under existing legislation: | | | |
| Cigarettes (small) | 1,514 | 1,476 | 1,377 |
| Tobacco (chewing and smoking) | 16 | 16 | 16 |
| Cigars (large) | 46 | 44 | 45 |
| Snuff | 4 | 4 | 4 |
| Cigarette papers and tubes | 1 | 1 | 1 |
| All other | (*) | (*) | (*) |
| Total tobacco taxes under existing legislation | 1,581 | 1,541 | 1,443 |
| Under proposed legislation | ........ | 49 | 179 |
| Total tobacco taxes under existing and proposed legislation | 1,581 | 1,590 | 1,622 |
| Documents, other instruments, and playing cards: | | | |
| Issues of securities, stock and bond transfers, and deeds of conveyance | 83 | 90 | 90 |
| Playing cards | 7 | 7 | 7 |
| Silver bullion sales or transfers | (*) | (*) | (*) |
| Total documents, other instruments, and playing cards | 90 | 97 | 97 |
| Manufacturers' excise taxes: | | | |
| Under existing legislation: | | | |
| Gasoline | 836 | 915 | 725 |
| Lubricating oils | 68 | 78 | 80 |
| Passenger automobiles and motorcycles | 867 | 880 | 675 |
| Automobile trucks, buses, and trailers | 150 | 139 | 98 |
| Parts and accessories for automobiles | 135 | 152 | 102 |
| Tires and inner tubes | 152 | 190 | 192 |
| Electric, gas, and oil appliances | 97 | 56 | 58 |
| Electric, light bulbs | 35 | 20 | 22 |
| Radio and television receiving sets, phonographs, phonograph records, and musical instruments | 153 | 171 | 177 |
| Mechanical refrigerators, quick-freeze units, and self-contained air-conditioning units | 75 | 55 | 60 |
| Business and store machines | 49 | 55 | 56 |
| Photographic equipment | 25 | 15 | 16 |
| Matches | 9 | 5 | 5 |
| Sporting goods, including fishing rods, creels, etc | 14 | 14 | 14 |
| Firearms, shells, and cartridges | 12 | 11 | 11 |
| Pistols and revolvers | 1 | 1 | 1 |
| Fountain and ball point pens; mechanical pencils | 11 | 8 | 8 |
| Total manufacturers' excise taxes under existing legislation | 2,692 | 2,765 | 2,300 |
| Under proposed legislation | ........ | 76 | 627 |
| Total manufacturers' excise taxes under existing and proposed legislation | 2,692 | 2,841 | 2,927 |

Footnotes at end of table.

TABLE 7.--Budget receipts and expenditures, actual for the fiscal year 1954 and estimated for 1955 and 1956--Continued

[In millions of dollars. On basis of 1956 Budget document]

| Source | 1954 actual | 1955 estimate | 1956 estimate |
|---|---|---|---|
| BUDGET RECEIPTS--Continued | | | |
| Retailers' excise taxes: | | | |
| Jewelry | 209 | 150 | 156 |
| Furs | 39 | 27 | 28 |
| Toilet preparations | 110 | 70 | 73 |
| Luggage, handbags, wallets, etc | 80 | 60 | 62 |
| Total retailers' excise taxes | 438 | 307 | 319 |
| Miscellaneous excise taxes: | | | |
| Under existing legislation: | | | |
| Telephone, telegraph, radio and cable facilities, leased wires, etc | 413 | 190 | 200 |
| Local telephone service | 359 | 285 | 290 |
| Transportation of oil by pipeline | 30 | 35 | 37 |
| Transportation of persons | 246 | 190 | 195 |
| Transportation of property | 397 | 450 | 470 |
| Diesel fuel used in highway vehicles | 19 | 23 | 20 |
| Admissions, exclusive of cabarets, roof gardens, etc | 272 | 110 | 110 |
| Cabarets, roof gardens, etc | 38 | 45 | 46 |
| Wagering taxes, including occupational tax | 10 | 11 | 11 |
| Club dues and initiation fees | 32 | 40 | 42 |
| Leases of safe deposit boxes | 9 | 7 | 8 |
| Coconut and other vegetable oils, processed | 16 | 18 | 18 |
| Sugar tax | 74 | 80 | 80 |
| Coin-operated amusement and gaming devices | 15 | 15 | 15 |
| Bowling alleys and billiard and pool tables | 3 | 3 | 3 |
| All other miscellaneous excise taxes | 4 | 2 | 2 |
| Total miscellaneous excise taxes under existing legislation | 1,937 | 1,504 | 1,547 |
| Under proposed legislation | ........ | 1 | 6 |
| Total miscellaneous excise taxes under existing and proposed legislation | 1,937 | 1,505 | 1,553 |
| Unclassified depositary receipts | 479 | ....... | ........ |
| Total excise taxes: | | | |
| Under existing legislation | 10,014 | 8,883 | 8,328 |
| Proposed legislation | ........ | 190 | 1,022 |
| Total excise taxes under existing and proposed legislation | 10,014 | 9,073 | 9,350 |
| Employment taxes: | | | |
| Federal Insurance Contributions Act | [1] 4,537 | 5,190 | 6,175 |
| Federal Unemployment Tax Act | 285 | 290 | 295 |
| Railroad Retirement Tax Act | 603 | 600 | 625 |
| Total employment taxes | 5,425 | 6,080 | 7,095 |
| Estate and gift taxes | 945 | 930 | 970 |
| Customs | 562 | 570 | 570 |
| Internal revenue not otherwise classified | 9 | ....... | ....... |
| Miscellaneous receipts: | | | |
| Miscellaneous taxes | 3 | 3 | 3 |
| Seigniorage | 73 | 45 | 35 |
| Coinage | 1 | 1 | 1 |
| Fees for permits and licenses | 45 | 47 | 47 |
| Fines, penalties, and forfeitures | 13 | 9 | 10 |
| Gifts and contributions | 1 | (*) | (*) |
| Interest | 458 | 414 | 434 |
| Dividends and other earnings | 361 | 250 | 225 |
| Rents | 82 | 75 | 76 |
| Royalties | 59 | 214 | 173 |
| Sale of products | 220 | 251 | 272 |
| Fees and other charges for services | 30 | 32 | 33 |
| Sale of Government property | 221 | 268 | 225 |
| Realization upon loans and investments | 236 | 254 | 273 |
| Recoveries and refunds | 507 | 438 | 678 |
| Total miscellaneous receipts | 2,311 | 2,302 | 2,486 |
| Total budget receipts under existing and proposed legislation | 73,173 | 68,121 | 70,005 |

Footnotes at end of table.

TABLE 7.--Budget receipts and expenditures, actual for the fiscal year 1954 and estimated for 1955 and 1956--Continued

[In millions of dollars. On basis of 1956 Budget document]

| Source | 1954 actual | 1955 estimate | 1956 estimate |
|---|---|---|---|
| BUDGET RECEIPTS--Continued | | | |
| Deduct: | | | |
| Transfer to Federal old-age and survivors insurance trust fund | 4,537 | 5,190 | 6,175 |
| Transfer to railroad retirement account | 603 | 600 | 625 |
| Refunds of receipts: | | | |
| Under existing legislation | 3,377 | 3,331 | 3,396 |
| Under proposed legislation | ........ | ....... | -191 |
| Net budget receipts | 64,655 | 59,000 | 60,000 |
| BUDGET EXPENDITURES[2] | | | |
| Legislative branch | 59 | 71 | 83 |
| The Judiciary | 28 | 31 | 33 |
| Executive Office of the President | 9 | 9 | 9 |
| Funds appropriated to the President | 5,477 | 5,070 | 5,356 |
| Independent offices: | | | |
| Atomic Energy Commission | 1,895 | 2,050 | 2,000 |
| Civil Service Commission | 50 | 48 | 235 |
| Export-Import Bank of Washington | 534 | 334 | 335 |
| Farm Credit Administration | 1,817 | 1,885 | 1,988 |
| Federal Civil Defense Administration | 97 | 61 | 56 |
| Railroad Retirement Board | 35 | (*) | ........ |
| Reconstruction Finance Corporation | 496 | ........ | ........ |
| Small Business Administration | 10 | 50 | 36 |
| St. Lawrence Seaway Development Corporation | ........ | 7 | 24 |
| Tennessee Valley Authority | 409 | 431 | 250 |
| United States Information Agency | 71 | 77 | 86 |
| Veterans' Administration | 4,316 | 4,497 | 4,705 |
| Other | 222 | 209 | 233 |
| General Services Administration | 808 | 1,174 | 969 |
| Housing and Home Finance Agency | 1,440 | 1,667 | 1,264 |
| Department of Agriculture | 5,963 | 7,365 | 6,013 |
| Department of Commerce | 1,083 | 1,180 | 1,223 |
| Department of Defense: | | | |
| Military functions | 40,336 | 34,375 | 34,000 |
| Civil functions | 708 | 624 | 632 |
| Department of Health, Education, and Welfare | 1,983 | 2,042 | 2,055 |
| Department of the Interior | 571 | 594 | 591 |
| Department of Justice | 183 | 185 | 202 |
| Department of Labor | 357 | 433 | 515 |
| Post Office Department | 2,686 | 2,741 | 2,541 |
| Department of State | 156 | 138 | 150 |
| Treasury Department: | | | |
| Interest on the public debt | 6,382 | 6,475 | 6,300 |
| Other | 957 | 1,257 | 1,091 |
| District of Columbia (general fund) | 13 | 25 | 34 |
| Reserve for proposed legislation and contingencies | ........ | 100 | 325 |
| Total budget expenditures | 79,151 | 75,203 | 73,332 |
| Deduct: | | | |
| Applicable receipts[3] | 11,379 | 11,699 | 10,923 |
| Net budget expenditures | 67,772 | 63,504 | 62,408 |
| Budget deficit (or surplus (-)) | 3,117 | 4,504 | 2,408 |

*Less than $500,000.
[1] Estimated.
[2] Classified by organization units, based on the 1956 Budget document.
[3] Receipts of certain Government corporations, the postal service, and other revolving funds, the receipts of which come primarily from outside the Government.

TABLE 8.--Trust account and other transactions, actual for the fiscal year 1954 and estimated for 1955 and 1956

[In millions of dollars. On basis of 1956 Budget document]

| | 1954 actual | 1955 estimate | 1956 estimate |
|---|---|---|---|
| Receipts: | | | |
| Federal employees' retirement funds: | | | |
| Deductions from employees' salaries and other receipts | 434 | 448 | 506 |
| Interest and profits on investments | 226 | 234 | 222 |
| Transfers from general and special accounts | 31 | 30 | 217 |
| Federal old-age and survivors insurance trust fund: | | | |
| Appropriation from general account receipts, etc | 4,537 | 5,190 | 6,175 |
| Deposits by States | 92 | 120 | 130 |
| Interest on investments | 439 | 455 | 486 |
| Interest payment by Railroad Retirement Board | 12 | 10 | 8 |
| Other | (*) | (*) | (*) |
| Railroad retirement account: | | | |
| Appropriation from general fund receipts | 603 | 600 | 625 |
| Transfers from general accounts | 35 | ......... | ......... |
| Interest on investments | 99 | 102 | 106 |
| Unemployment trust fund: | | | |
| Deposits by States | 1,246 | 1,200 | 1,400 |
| Transfers from railroad unemployment insurance administration fund | 4 | 19 | 21 |
| Deposits by Railroad Retirement Board | 18 | | |
| Interest on investments | 224 | 220 | 204 |
| Transfers from general accounts | ......... | 64 | 87 |
| Veterans' life insurance funds: | | | |
| Premiums and other receipts | 426 | 414 | 406 |
| Interest on investments | 200 | 208 | 209 |
| Transfers from general and special accounts | 72 | 31 | 81 |
| Other trust accounts: | | | |
| Transfers from general and special accounts | 13 | 22 | 22 |
| Miscellaneous trust receipts | 444 | 439 | 379 |
| Total trust account receipts | 9,155 | 9,804 | 11,283 |
| Expenditures: | | | |
| Other than investments and sales and redemptions of obligations of Government agencies: | | | |
| Federal employees' retirement funds: Annuities and refunds | 411 | 447 | 489 |
| Federal old-age and survivors insurance trust fund: Benefit payments and administrative expenses | 3,405 | 4,459 | 4,968 |
| Railroad retirement account: Benefit payments and other expenditures | 502 | 581 | 590 |
| Unemployment trust fund: Withdrawals by States and other expenditures | 1,745 | 1,712 | 1,594 |
| Veterans' life insurance funds: Insurance losses and refunds | 769 | 620 | 604 |
| Other trust accounts: Miscellaneous trust expenditures | 495 | 599 | 549 |
| Deposit fund accounts (net) | [a] 123 | [a] 14 | 51 |
| Total | 7,204 | 8,404 | 8,845 |
| Investments in public debt securities: | | | |
| Federal employees' retirement funds | 252 | 262 | 239 |
| Federal old-age and survivors insurance trust fund | 1,523 | 1,963 | 1,850 |
| Railroad retirement account | 202 | 143 | 138 |
| Unemployment trust fund | [a] 248 | [a] 209 | 221 |
| Veterans' life insurance funds | [a] 42 | 31 | 104 |
| Other trust accounts | [a] 1 | 2 | 2 |
| Wholly owned Government corporations and agencies | [a] 77 | 145 | 72 |
| Total | 1,609 | 2,337 | 2,625 |
| Sales and redemptions of obligations of Government agencies in the market (net): | | | |
| Federal Housing Administration | [b] 30 | 31 | 19 |
| Federal intermediate credit banks | 44 | [b] 35 | [b] 37 |
| Federal National Mortgage Association: | | | |
| Special assistance and management and liquidating functions | ......... | [b] 750 | [b] 750 |
| Secondary mortgage operations | ......... | ......... | [b] 60 |
| Other | (*) | (*) | (*) |
| Total | 14 | [b] 754 | [b] 827 |
| Total expenditures | 8,828 | 9,987 | 10,642 |
| Net receipts, or expenditures (-) | 327 | -183 | 641 |

* Less than $500,000.
[a] Excess of receipts or redemptions (deduct).
[b] Excess of sales (deduct).

TABLE 9.--Effect of financial operations on the public debt, actual for the fiscal year 1954 and estimated for 1955 and 1956

[In millions of dollars. On basis of 1956 Budget document]

| | 1954 actual | 1955 estimate | 1956 estimate |
|---|---|---|---|
| Budget deficit | 3,117 | 4,504 | 2,408 |
| Net expenditures (including investments) of trust account and other transactions [or receipts (-)] | -327 | 183 | -641 |
| Changes in accounts necessary to reconcile to Treasury cash-increase or decrease (-)[1] | 46 | 64 | -67 |
| Increase in cash balances held outside the Treasury [or decrease (-)] | 257 | 55 | ............ |
| Increase in Treasury general fund balance [or decrease (-)] | 2,096 | -1,766 | ............ |
| Increase in public debt | 5,189 | 3,040 | 1,700 |
| Treasury general fund balance: | | | |
| Beginning of year | 4,670 | 6,766 | 5,000 |
| Change during year | 2,096 | -1,766 | ............ |
| End of year | 6,766 | 5,000 | 5,000 |
| Public debt outstanding: | | | |
| Beginning of year | 266,071 | 271,260 | 274,300 |
| Change during year | 5,189 | 3,040 | 1,700 |
| End of year | 271,260 | [2] 274,300 | [2] 276,000 |

[1] Gives effect to changes in amounts of outstanding checks, deposits in transit, public debt interest checks and coupons outstanding, and telegraphic reports from Federal Reserve Banks.

[2] Because of wide swings in receipts and expenditures and the heavy concentration of taxes in the latter half of the fiscal year, there will be periods during the year when the public debt will be considerably greater than this amount.

TABLE 10.--Internal revenue collections by tax sources, fiscal years 1929-54[1]

[In thousands of dollars. As reported by Internal Revenue Service, see "Bases of Tables"]

| Fiscal year | Income and profits taxes: Individual income taxes: Withheld by employers[2] | Income and profits taxes: Individual income taxes: Other[2] | Income and profits taxes: Individual income taxes: Total individual income taxes | Income and profits taxes: Corporation income and profits taxes[3] | Income and profits taxes: Total income and profits taxes | Employment taxes: Old-age insurance[2] and unemployment taxes | Employment taxes: Railroad retirement | Employment taxes: Total employment taxes | Miscellaneous internal revenue taxes: Capital stock[4] | Miscellaneous internal revenue taxes: Estate | Miscellaneous internal revenue taxes: Gift |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1929 | ........ | 1,095,541 | 1,095,541 | 1,235,733 | 2,331,274 | ........ | ........ | ........ | 5,956 | 61,897 | ........ |
| 1930 | ........ | 1,146,845 | 1,146,845 | 1,263,414 | 2,410,259 | ........ | ........ | ........ | 47 | 64,770 | ........ |
| 1931 | ........ | 833,648 | 833,648 | 1,026,393 | 1,860,040 | ........ | ........ | ........ | ........ | 48,078 | ........ |
| 1932 | ........ | 427,191 | 427,191 | 629,566 | 1,056,757 | ........ | ........ | ........ | ........ | 47,422 | ........ |
| 1933 | ........ | 352,574 | 352,574 | 394,218 | 746,791 | ........ | ........ | ........ | ........ | 29,693 | 4,617 |
| 1934 | ........ | 419,509 | 419,509 | 400,146 | 819,656 | ........ | ........ | ........ | 80,168 | 103,985 | 9,153 |
| 1935 | ........ | 527,113 | 527,113 | r 578,678 | r 1,105,791 | ........ | ........ | ........ | 91,508 | 140,441 | 71,671 |
| 1936 | ........ | 674,416 | 674,416 | r 753,032 | r 1,427,448 | ........ | 48 | 48 | 94,943 | 218,781 | 160,059 |
| 1937 | ........ | 1,091,741 | 1,091,741 | r 1,088,101 | r 2,179,842 | 265,458 | 287 | 265,745 | 137,499 | 281,636 | 23,912 |
| 1938 | ........ | 1,286,312 | 1,286,312 | 1,342,718 | 2,629,030 | 593,185 | 149,476 | 742,660 | 139,349 | 382,175 | 34,699 |
| 1939 | ........ | 1,028,834 | 1,028,834 | 1,156,281 | 2,185,114 | 631,002 | 109,427 | 740,429 | 127,203 | 332,280 | 28,436 |
| 1940 | ........ | 982,017 | 982,017 | 1,147,592 | 2,129,609 | 711,473 | 122,048 | 833,521 | 132,739 | 330,886 | 29,185 |
| 1941 | ........ | 1,417,655 | 1,417,655 | 2,053,469 | 3,471,124 | 787,985 | 137,871 | 925,856 | 166,653 | 355,194 | 51,864 |
| 1942 | ........ | 3,262,800 | 3,262,800 | 4,744,083 | 8,006,884 | 1,014,953 | 170,409 | 1,185,362 | 281,900 | 340,323 | 92,217 |
| 1943 | 686,015 | 5,943,917 | 6,629,932 | 9,668,956 | 16,298,888 | 1,287,554 | 211,151 | 1,498,705 | 328,795 | 414,531 | 32,965 |
| 1944 | 7,823,435 | 10,437,570 | 18,261,005 | 14,766,796 | 33,027,802 | 1,473,361 | 265,011 | 1,738,372 | 380,702 | 473,466 | 37,745 |
| 1945 | 10,264,219 | 8,770,094 | 19,034,313 | 16,027,213 | 35,061,526 | 1,494,420 | 284,758 | 1,779,177 | 371,999 | 596,137 | 46,918 |
| 1946 | 9,857,589 | 8,846,947 | 18,704,536 | 12,553,602 | 31,258,138 | 1,416,570 | 284,258 | 1,700,828 | 352,121 | 629,601 | 47,232 |
| 1947 | 9,842,282 | 9,501,015 | 19,343,297 | r 9,676,459 | r 29,019,756 | 1,644,810 | 379,555 | 2,024,365 | 1,597 | 708,794 | 70,497 |
| 1948 | 11,533,577 | 9,464,204 | 20,997,781 | 10,174,410 | 31,172,191 | 1,821,229 | 560,113 | 2,381,342 | 1,723 | 822,380 | 76,965 |
| 1949 | 10,055,502 | 7,996,320 | 18,051,822 | 11,553,669 | 29,605,491 | 1,913,379 | 562,734 | 2,476,113 | 6,138 | 735,781 | 60,757 |
| 1950 | 9,888,976 | 7,264,332 | 17,153,308 | 10,854,351 | 28,007,659 | 2,096,537 | 548,038 | 2,644,575 | 266 | 657,441 | 48,785 |
| 1951 | r 13,089,770 | 9,907,539 | [2] 22,997,308 | 14,387,569 | [2] 37,384,878 | [2] 3,047,702 | 579,778 | [2] 3,627,480 | ([4]) | 638,523 | 91,207 |
| 1952 | [2] 17,929,047 | [2] 11,345,060 | [2] 29,274,107 | 21,466,910 | [2] 50,741,017 | [2] 3,843,642 | 620,622 | [2] 4,464,264 | ([4]) | 750,591 | 82,556 |
| 1953 | [2] 21,132,275 | [2] 11,403,942 | [2] 32,536,217 | 21,594,515 | [2] 54,130,732 | [2] 4,089,433 | 628,969 | [2] 4,718,403 | ([4]) | 784,590 | 106,694 |
| 1954 | [2] 22,076,329 | [2] 10,736,578 | [2] 32,812,907 | 21,546,322 | [2] 54,359,229 | [2] 4,503,186 | 605,221 | [2] 5,108,407 | ([4]) | 863,344 | 71,778 |

| Fiscal year | Miscellaneous internal revenue taxes—Continued | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Alcohol taxes | | | | | Tobacco taxes | | | | Stamp taxes[6] |
| | Distilled spirits[5] | Fermented malt liquors[5] | Wines | Other, including special taxes[5] | Total alcohol taxes[5] | Cigarettes[5] | Cigars[5] | Other | Total tobacco taxes,[5] etc. | |
| 1929 | 11,590 | .............. | 293 | 894 | 12,777 | 342,034 | 22,872 | 69,539 | 434,445 | 64,174 |
| 1930 | 10,718 | .............. | 239 | 738 | 11,695 | 359,881 | 21,443 | 69,015 | 450,339 | 77,729 |
| 1931 | 9,579 | .............. | 228 | 625 | 10,432 | 358,961 | 18,296 | 67,019 | 444,277 | 46,954 |
| 1932 | 7,907 | .............. | 187 | 610 | 8,704 | 317,565 | 14,434 | 66,580 | 398,579 | 32,241 |
| 1933 | 6,745 | 33,090 | 290 | 3,050 | 43,174 | 328,440 | 11,479 | 62,821 | 402,739 | 57,338 |
| 1934 | 68,468 | 163,271 | 3,411 | 23,762 | 258,911 | 350,299 | 11,806 | 63,063 | 425,169 | 66,580 |
| 1935 | 165,634 | 211,215 | 6,780 | 27,393 | 411,022 | 385,477 | 11,837 | 61,865 | 459,179 | 43,133 |
| 1936 | 222,431 | 244,581 | 8,968 | 29,484 | 505,464 | 425,505 | 12,361 | 63,299 | 501,166 | 68,990 |
| 1937 | 274,049 | 277,455 | 5,991 | 36,750 | 594,245 | 476,046 | 13,392 | 62,816 | 552,254 | 69,919 |
| 1938 | 260,066 | 269,348 | 5,892 | 32,673 | 567,979 | 493,454 | 12,882 | 61,846 | 568,182 | 46,233 |
| 1939 | 283,575 | 259,704 | 6,395 | 38,126 | 587,800 | 504,056 | 12,913 | 63,190 | 580,159 | 41,083 |
| 1940 | 317,732 | 264,579 | 8,060 | 33,882 | 624,253 | 533,059 | 12,995 | 62,464 | 608,518 | 38,681 |
| 1941 | 428,642 | 316,741 | 11,423 | 63,250 | 820,056 | 616,757 | 13,514 | 67,805 | 698,077 | 39,057 |
| 1942 | 574,598 | 366,161 | 23,986 | 83,772 | 1,048,517 | 704,949 | 14,482 | 61,551 | 780,982 | 41,702 |
| 1943 | 781,873 | 455,634 | 33,663 | 152,476 | 1,423,646 | 835,260 | 23,172 | 65,425 | 923,857 | 45,155 |
| 1944 | 899,437 | 559,152 | 34,095 | 126,091 | 1,618,775 | 904,046 | 30,259 | 54,178 | 988,483 | 50,800 |
| 1945 | 1,484,306 | 638,682 | 47,391 | 139,487 | 2,309,866 | 836,753 | 36,678 | 58,714 | 932,145 | 65,528 |
| 1946 | 1,746,580 | 650,824 | 60,844 | 67,917 | 2,526,165 | 1,072,971 | 41,454 | 51,094 | 1,165,519 | 87,676 |
| 1947 | 1,685,369 | 661,418 | 57,196 | 70,779 | 2,474,762 | 1,145,268 | 48,354 | 44,146 | 1,237,768 | 79,978 |
| 1948 | 1,436,233 | 697,097 | 60,962 | 61,035 | 2,255,327 | 1,208,204 | 46,752 | 45,325 | 1,300,280 | 79,466 |
| 1949 | 1,397,954 | 686,368 | 65,782 | 60,504 | 2,210,607 | 1,232,735 | 45,590 | 43,550 | 1,321,875 | 72,828 |
| 1950 | 1,421,900 | 667,411 | 72,601 | 57,291 | 2,219,202 | 1,242,851 | 42,170 | 43,443 | 1,328,464 | 84,648 |
| 1951 | 1,746,834 | 665,009 | 67,254 | 67,711 | 2,546,808 | 1,293,973 | 44,275 | 42,148 | 1,380,396 | 93,107 |
| 1952 | 1,589,730 | 727,604 | 72,374 | 159,412 | 2,549,120 | 1,474,072 | 44,810 | 46,281 | 1,565,162 | 84,995 |
| 1953 | 1,846,727 | 762,983 | 80,535 | 90,681 | 2,780,925 | 1,586,782 | 46,326 | 21,803 | 1,654,911 | 90,319 |
| 1954 | 1,873,630 | 769,774 | 78,678 | 60,929 | 2,783,012 | 1,513,740 | 45,618 | 20,871 | 1,580,229 | 90,000 |

Footnotes at end of table.

TABLE 10.--Internal revenue collections by tax sources, fiscal years 1929-54--Continued

[In thousands of dollars]

| Fiscal year | Miscellaneous internal revenue taxes--Continued | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Manufacturers' excise taxes[7] | | | | | | | | | | | |
| | Gasoline | Lubricating oils | Passenger automobiles and motorcycles | Automobile trucks and busses | Parts and accessories for automobiles | Tires and tubes | Electrical energy | Refrigerators, air-conditioners, etc. | Radio and television receiving sets and phonographs, parts | Electric, gas and oil appliances | All other[8] | Total manufacturers' excise taxes |
| 1929 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 5,712 | 5,712 |
| 1930 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 2,665 | 2,665 |
| 1931 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 138 | 138 |
| 1932 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 87 | 87 |
| 1933 | 124,929 | 16,233 | 12,574 | 1,654 | 3,597 | 14,980 | 28,563 | 2,112 | 2,207 | ... | 36,751 | 243,600 |
| 1934 | 202,575 | 25,255 | 32,527 | 5,048 | 5,696 | 27,630 | 33,134 | 5,526 | 3,157 | ... | 44,743 | 385,291 |
| 1935 | 161,532 | 27,800 | 38,003 | 6,158 | 6,456 | 26,638 | 32,577 | 6,664 | 3,625 | ... | 32,692 | 342,145 |
| 1936 | 177,340 | 27,103 | 48,201 | 7,000 | 7,110 | 32,208 | 33,575 | 7,939 | 5,075 | ... | 37,165 | 382,716 |
| 1937 | 196,533 | 31,463 | 65,265 | 9,031 | 10,086 | 40,819 | 35,975 | 9,913 | 6,754 | ... | 44,744 | 450,581 |
| 1938 | 203,648 | 31,565 | 43,365 | 6,697 | 7,989 | 31,567 | 38,455 | 8,829 | 5,849 | ... | 39,188 | 417,152 |
| 1939 | 207,019 | 30,497 | 42,723 | 6,008 | 7,935 | 34,819 | 39,859 | 6,958 | 4,834 | ... | 16,323 | 396,975 |
| 1940 | 226,187 | 31,233 | 59,351 | 7,866 | 10,630 | 41,555 | 42,339 | 9,954 | 6,080 | ... | 11,957 | 447,152 |
| 1941 | 343,021 | 38,221 | 81,403 | 10,747 | 13,084 | 51,054 | 47,021 | 13,279 | 6,935 | ... | 12,609 | 617,373 |
| 1942 | 369,587 | 46,432 | 77,172 | 18,361 | 28,088 | 64,811 | 49,978 | 16,246 | 19,144 | 17,702 | 64,377 | 771,898 |
| 1943 | 288,786 | 43,318 | 1,424 | 4,230 | 20,478 | 18,345 | 48,705 | 5,966 | 5,561 | 6,913 | 61,021 | 504,746 |
| 1944 | 271,217 | 52,473 | 1,222 | 3,247 | 31,551 | 40,334 | 51,239 | 2,406 | 3,402 | 5,027 | 41,344 | 503,462 |
| 1945 | 405,563 | 92,865 | 2,558 | 20,847 | 49,440 | 75,257 | 57,004 | 1,637 | 4,753 | 12,060 | 60,525 | 782,511 |
| 1946 | 405,695 | 74,602 | 25,893 | 37,144 | 68,871 | 118,092 | 59,112 | 9,229 | 13,385 | 29,492 | 81,156 | 922,671 |
| 1947 | 433,676 | 82,015 | 204,680 | 62,099 | 99,932 | 174,927 | 63,014 | 37,352 | 63,856 | 65,608 | 138,236 | 1,425,395 |
| 1948 | 478,638 | 80,887 | 270,958 | 91,963 | 122,951 | 159,284 | 69,701 | 58,473 | 67,267 | 87,858 | 161,255 | 1,649,234 |
| 1949 | 503,647 | 81,760 | 332,812 | 136,797 | 120,138 | 150,899 | 79,347 | 77,833 | 49,160 | 80,935 | 158,204 | 1,771,533 |
| 1950 | 526,732 | 77,610 | 452,066 | 123,630 | 88,733 | 151,795 | 85,704 | 64,316 | 42,085 | 80,406 | 142,978 | 1,836,053 |
| 1951 | 569,048 | 97,238 | 653,363 | 121,285 | 119,475 | 198,383 | 93,184 | 96,319 | 128,187 | 121,996 | 185,197 | 2,383,677 |
| 1952 | 713,174 | 95,286 | 578,149 | 147,445 | 164,135 | 161,328 | 53,094 | 57,970 | 118,244 | 89,544 | r 170,574 | r 2,348,943 |
| 1953 | 890,679 | 73,321 | 785,716 | 210,032 | 177,924 | 180,047 | (9) | 87,424 | 159,383 | 113,390 | 184,872 | 2,862,788 |
| 1954 | 835,610 | 68,441 | 867,482 | 149,914 | 135,248 | 152,079 | (9) | 75,059 | 135,535 | 97,415 | 171,480 | 2,688,262 |

| Fiscal year | Miscellaneous internal revenue taxes--Continued | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Retailers' excise taxes | | | | | Miscellaneous taxes | | | | | |
| | Jewelry | Furs | Toilet preparations | Luggage, handbags, wallets | Total retailers' excise taxes | Telephone, telegraph, radio and cable facilities | Local telephone service | Transportation of persons | Transportation of property | Admissions: General admissions | Admissions: Cabarets |
| 1929 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | 5,419 | 664 |
| 1930 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | 3,519 | 712 |
| 1931 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | 2,271 | 508 |
| 1932 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | 1,460 | 399 |
| 1933 | .......... | .......... | .......... | .......... | .......... | 14,565 | .......... | .......... | .......... | 14,771 | 750 |
| 1934 | .......... | .......... | .......... | .......... | .......... | 19,251 | .......... | .......... | .......... | 14,019 | 595 |
| 1935 | .......... | .......... | .......... | .......... | .......... | 19,741 | .......... | .......... | .......... | 14,426 | 954 |
| 1936 | .......... | .......... | .......... | .......... | .......... | 21,098 | .......... | .......... | .......... | 15,773 | 1,339 |
| 1937 | .......... | .......... | .......... | .......... | .......... | 24,570 | .......... | .......... | .......... | 18,185 | 1,555 |
| 1938 | .......... | .......... | .......... | .......... | .......... | 23,977 | .......... | .......... | .......... | 19,284 | 1,517 |
| 1939 | .......... | .......... | .......... | .......... | .......... | 24,094 | .......... | .......... | .......... | 18,029 | 1,442 |
| 1940 | .......... | .......... | .......... | .......... | .......... | 26,368 | .......... | .......... | .......... | 20,265 | 1,623 |
| 1941 | .......... | .......... | .......... | .......... | .......... | 27,331 | .......... | .......... | .......... | 68,620 | 2,343 |
| 1942 | 41,501 | 19,744 | 18,922 | .......... | 80,167 | 48,231 | 26,791 | 21,379 | .......... | 107,633 | 7,400 |
| 1943 | 88,366 | 44,223 | 32,677 | .......... | 165,266 | 91,174 | 66,987 | 87,132 | 82,556 | 138,054 | 16,397 |
| 1944 | 113,373 | 58,726 | 44,790 | 8,343 | 225,232 | 141,275 | 90,199 | 153,683 | 215,488 | 178,563 | 26,726 |
| 1945 | 184,220 | 79,418 | 86,615 | 73,851 | 424,105 | 208,018 | 133,569 | 234,182 | 221,088 | 300,589 | 56,877 |
| 1946 | 223,342 | 91,706 | 95,574 | 81,423 | 492,046 | 234,393 | 145,689 | 226,750 | 220,121 | 343,191 | 72,077 |
| 1947 | 236,615 | 97,481 | 95,542 | 84,588 | 514,227 | 252,746 | 164,944 | 244,003 | 275,701 | 392,873 | 63,350 |
| 1948 | 217,899 | 79,539 | 91,852 | 80,632 | 469,923 | 275,255 | 193,521 | 246,323 | 317,203 | 385,101 | 53,527 |
| 1949 | 210,688 | 61,946 | 93,969 | 82,607 | 449,211 | 311,380 | 224,531 | 251,389 | 337,030 | 385,844 | 48,857 |
| 1950 | 190,820 | 45,781 | 94,995 | 77,532 | 409,128 | 312,339 | 247,281 | 228,738 | 321,193 | 371,244 | 41,453 |
| 1951 | 210,239 | 57,604 | 106,339 | 82,831 | 457,013 | 354,660 | 290,320 | 237,617 | 381,342 | 346,492 | 42,646 |
| 1952 | 220,339 | 51,436 | 112,892 | 90,799 | 475,466 | 395,434 | 310,337 | 275,174 | 388,589 | 330,816 | 45,489 |
| 1953 | r 234,659 | r 49,923 | r 115,676 | r 95,750 | r 496,009 | r 417,940 | r 357,933 | r 287,408 | r 419,604 | 312,831 | 46,691 |
| 1954 | 209,256 | 39,036 | 110,149 | 79,891 | 438,332 | 412,508 | 359,473 | 246,180 | 396,519 | 271,952 | 38,312 |

Footnotes at end of table.

TABLE 10.--Internal revenue collections by tax sources, fiscal years 1929-54[1]--Continued

[In thousands of dollars]

| Fiscal year | Miscellaneous internal revenue taxes--Continued | | | | | Agricultural adjustment taxes[5] | Grand total[5] |
|---|---|---|---|---|---|---|---|
| | Miscellaneous taxes--Continued | | | | Total miscellaneous internal revenue[5] | | |
| | Club dues and initiation fees | Sugar | All other[5] [10] | Total miscellaneous taxes[5] | | | |
| 1929 | 11,245 | ........... | 5,492 | 22,820 | 607,780 | ........... | 2,939,054 |
| 1930 | 12,521 | ........... | 5,891 | 22,642 | 629,887 | ........... | 3,040,146 |
| 1931 | 11,478 | ........... | 4,053 | 18,310 | 568,188 | ........... | 2,428,229 |
| 1932 | 9,205 | ........... | 2,876 | 13,939 | 500,972 | ........... | 1,557,729 |
| 1933 | 6,679 | ........... | 55,122 | 91,886 | 873,048 | ........... | 1,619,839 |
| 1934 | 5,986 | ........... | 112,052 | 151,902 | 1,481,160 | 371,423 | 2,672,239 |
| 1935 | 5,784 | ........... | 67,418 | 108,324 | 1,667,422 | 526,222 | 3,299,436 |
| 1936 | 6,091 | ........... | 44,656 | 88,957 | 2,021,075 | 71,637 | 3,520,208 |
| 1937 | 6,288 | ........... | 46,964 | 97,561 | 2,027,608 | ........... | 4,653,195 |
| 1938 | 6,551 | 30,569 | 49,410 | 131,307 | 2,287,075 | ........... | 5,658,765 |
| 1939 | 6,217 | 65,414 | 46,900 | 162,096 | 2,256,031 | ........... | 5,181,574 |
| 1940 | 6,335 | 68,145 | 43,171 | 165,907 | 2,377,322 | ........... | 5,340,452 |
| 1941 | 6,583 | 74,835 | 45,143 | 224,855 | 2,973,128 | ........... | 7,370,108 |
| 1942 | 6,792 | 68,230 | 131,461 | 417,916 | 3,855,623 | ........... | 13,047,869 |
| 1943 | 6,520 | 53,552 | 192,460 | 734,831 | 4,573,793 | ........... | 22,371,386 |
| 1944 | 9,182 | 68,789 | 193,017 | 1,076,921 | 5,355,586 | ........... | 40,121,760 |
| 1945 | 14,160 | 73,294 | 188,700 | 1,430,476 | 6,959,684 | ........... | 43,800,388 |
| 1946 | 18,899 | 56,732 | 172,249 | 1,490,101 | 7,713,131 | ........... | 40,672,097 |
| 1947 | 23,299 | 59,152 | 75,176 | 1,551,245 | 8,064,265 | ........... | 39,108,386 |
| 1948 | 25,499 | 71,247 | 88,035 | 1,655,711 | 8,311,009 | ........... | 41,864,542 |
| 1949 | 27,790 | 76,174 | 89,799 | 1,752,792 | 8,381,521 | ........... | 40,463,125 |
| 1950 | 28,740 | 71,188 | 98,732 | 1,720,908 | 8,304,898 | ........... | 38,957,132 |
| 1951 | 30,120 | 80,192 | 79,210 | 1,842,598 | 9,433,329 | ........... | 50,445,686 |
| 1952 | 33,592 | 78,473 | 89,568 | 1,947,472 | 9,804,305 | ........... | 65,009,586 |
| 1953 | 36,829 | 78,130 | 103,799 | 2,061,164 | 10,837,401 | ........... | 69,686,535 |
| 1954 | 31,978 | 73,885 | 106,591 | 1,937,399 | 10,452,354 | ........... | [11] 69,919,991 |

Note.--These figures are from Internal Revenue Service reports of collections and are not directly comparable to budget receipts from internal revenue as reported in other tables. The differences in amounts occur because of differences in the time when payments are included in the respective reports. Tax payments are included in budget receipts when reported as credits to the general fund account of the Treasurer of the United States. Through 1954, the payments were included in Internal Revenue Service collection reports after the returns to which they applied had been received in internal revenue offices.

Under arrangements begun in 1950, for withheld income tax and old-age insurance taxes and later extended to railroad retirement taxes and many excises, these taxes are paid currently into Treasury depositaries and the depositary receipts, as evidence of such payment, are attached to quarterly returns to the Internal Revenue Service. Under this procedure, the payments are included in budget receipts in the month in which the depositary receipts are issued to taxpayers.

Revised accounting procedures effective July 1, 1954, extended this practice to Internal Revenue Service collection reports, so that these reports likewise will include depositary receipts in the month in which they are issued instead of the previous practice of including them in the month in which tax returns supported by the receipts were received in collectors' offices. See footnote 11.

Beginning with 1948 the figures for repealed taxes except those shown separately in this table have been placed under "Miscellaneous taxes, All other."

r Revised.

[1] For figures for 1863-1915, see 1929 annual report, p. 419; and for 1916-1928, see 1947 annual report, p. 310.

[2] Beginning January 1951, withheld income taxes and old-age insurance taxes on employees and employers are paid into the Treasury in combined amounts without separation as to type of tax; after December 31, 1950, the old-age insurance tax on self-employment income is combined with income tax other than withheld. For purposes of comparison with earlier years, the estimated components of the combined amounts are shown for 1951 and subsequent years.

[3] Beginning with 1952, includes the tax on business income of exempt organizations. Includes income tax on the Alaska railroad, which was repealed effective for taxable years ending after June 10, 1952. Figures previously shown for 1935, 1936, and 1937 have been revised to include this tax.

[4] Repealed for years ending after June 30, 1945. Beginning with 1951 included under "Miscellaneous taxes, All other."

[5] Figures from 1935 through 1953 have been revised where necessary to include collections for credit to certain trust accounts for island possessions.

[6] Includes stamp taxes on bonds, issues of capital stock, deeds of conveyance, transfers of capital stock and similar interest sales, playing cards, and silver bullion sales or transfers. For components shown beginning in 1895 see 1929 annual report, p. 421; 1947 annual report, p. 312; and 1952 annual report, p. 551. For current detail see the monthly "Treasury Bulletin."

[7] Includes taxes on sales under the act of Oct. 22, 1914; manufacturers', consumers', and dealers' excise taxes under war revenue and subsequent acts; and for 1932 and subsequent years, manufacturers' excise taxes under the act of 1932, as amended. Soft drink taxes are included under "Miscellaneous taxes, All other."

[8] For 1933 and subsequent years includes (a) Phonograph records for 1942 and subsequent years which were included with "Radio receiving sets, phonographs, phonograph records" in earlier reports, and (b) musical instruments for 1942 and subsequent years, jewelry 1933 through 1947, furs 1933 through 1947, toilet preparations 1933 through 1947, and luggage 1942 through 1951, all of which were shown separately in earlier

reports. The tax on phonograph records for 1933 through 1941 was not reported separately and is included in "Radio and television receiving sets and phonographs, parts."

[9] Repealed by Revenue Act of 1951. Collections for the fiscal years 1953 and 1954 are included under "Miscellaneous taxes, All other."

[10] Includes collections from sources other than the miscellaneous taxes shown, and also (a) certain delinquent taxes collected under repealed laws, except automobile taxes for 1929 and 1930 which are included under "Manufacturers' excise taxes, All other," and capital stock taxes for 1929 and 1930 which are shown under "Capital stock"; (b) internal revenue collected through customs offices for 1929-33; subsequently such collections are included with "Distilled spirits"; (c) various other taxes not shown separately; and (d) repealed taxes not shown separately.

[11] The amount of depositary receipts issued by Federal Reserve Banks, and not received by internal revenue offices as evidence of tax payments, as of June 30, 1954, totaled $3,943,543,000 of which $3,414,433,000 related to withheld income and Federal Insurance Contributions Act taxes, $96,539,000 to railroad retirement taxes, and $432,571,000 to excise taxes. In order to maintain comparability with earlier periods, internal revenue collections for the fiscal year 1954 are shown herein on the basis formerly employed. No allowance is made in this table for the difference between these depositary receipts and those outstanding at the beginning of the year. See the general "Note" to the table.

TABLE 11.--Customs collections[1] and refunds, fiscal years 1953 and 1954

[On basis of accounts of Bureau of Customs]

| | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Collections: | | | |
| Duties: | | | |
| Consumption entries | $457,995,208 | $416,457,252 | -9.1 |
| Warehouse withdrawals | 135,482,510 | 122,401,772 | -9.7 |
| Mail entries | 3,475,687 | 4,700,752 | 35.2 |
| Baggage entries | 1,613,174 | 1,412,259 | -12.5 |
| Informal entries | 2,066,693 | 3,520,963 | 70.4 |
| Appraisement entries | 263,352 | 238,595 | -9.4 |
| Increased and additional duties | 11,816,391 | 12,122,792 | 2.6 |
| Withheld duties | 180,270 | 171,229 | -5.0 |
| Other duties | 526,297 | 995,005 | 89.1 |
| Total duties | 613,419,582 | 562,020,619 | -8.4 |
| Miscellaneous: | | | |
| Violations of customs laws | 1,029,977 | 992,404 | -3.7 |
| Head tax | 1,442,415 | 4,955 | -99.7 |
| Navigation fines | 48,347 | 29,329 | -39.3 |
| Storage and related charges | 148,940 | 150,745 | 1.2 |
| Tonnage tax | 2,956,547 | 2,902,747 | -1.8 |
| Fees | 398,216 | 425,490 | 6.9 |
| Recoveries | 16,885 | 14,795 | -12.4 |
| Sale of Government property | 11,736 | 13,421 | 14.4 |
| All other customs receipts | 118,005 | 55,815 | -52.7 |
| Total miscellaneous | 6,171,068 | 4,589,701 | -25.6 |
| Total customs collections | 619,590,650 | 566,610,320 | -8.6 |
| Refunds: | | | |
| Excessive duties | 10,452,670 | 12,821,636 | 22.7 |
| Drawback payments | 6,394,750 | 7,567,818 | 18.4 |
| Other | 101,344 | 92,517 | -8.7 |
| Total refunds | 16,948,764 | 20,481,971 | 20.8 |

NOTE.--Additional customs statistics will be found in tables 90 through 104.

[1] Excludes customs duties of Puerto Rico, which are deposited to the credit of the Government of Puerto Rico, but includes fines and other minor collections of Puerto Rico.

TABLE 12.--Postal receipts and expenditures, fiscal years 1911-54[1]

| Year | Postal reserve fund as reported to the Treasury by the Post Office Department | | | | Surplus revenue paid into Treasury[3] | Grante from Treasury to cover postal deficiencies[4] |
|---|---|---|---|---|---|---|
| | Postal revenues | Postal expenditures[2] | | Surplus, or deficit (-) | | |
| | | Extraordinary expenditures as reported under act of June 9, 1930 | Other | | | |
| 1911 | $237,879,824 | ............. | $237,660,705 | $219,118 | ............. | $133,784 |
| 1912 | 246,744,016 | ............. | 248,529,539 | -1,785,523 | ............. | 1,568,195 |
| 1913 | 266,619,526 | ............. | 262,108,875 | 4,510,651 | ............. | 1,027,369 |
| 1914 | 287,934,566 | ............. | 283,558,103 | 4,376,463 | $3,800,000 | ............. |
| 1915 | 287,248,165 | ............. | 298,581,474 | -11,333,309 | 3,500,000 | 6,636,593 |
| 1916 | 312,057,689 | ............. | 306,228,453 | 5,829,236 | ............. | 5,500,000 |
| 1917 | 329,726,116 | ............. | 319,889,904 | 9,836,212 | 5,200,000 | ............. |
| 1918 | 388,975,962 | ............. | 324,849,188 | 64,126,774 | 48,630,701 | 2,221,095 |
| 1919 | 436,239,126 | ............. | 362,504,274 | 73,734,852 | 89,906,000 | 343,511 |
| 1920 | 437,150,212 | ............. | [5] 418,722,295 | 18,427,917 | 5,213,000 | [6] 114,854 |
| 1921 | 463,491,275 | ............. | [5] 619,634,948 | -156,143,673 | ............. | [6] 130,128,458 |
| 1922 | 484,853,541 | ............. | [5] 545,662,241 | -60,808,700 | 81,494 | [6] 64,346,235 |
| 1923 | 532,827,925 | ............. | 556,893,129 | -24,065,204 | ............. | 32,526,915 |
| 1924 | 572,948,778 | ............. | 587,412,755 | -14,463,976 | ............. | 12,638,850 |
| 1925 | 599,591,478 | ............. | 639,336,505 | -39,745,027 | ............. | 23,216,784 |
| 1926 | 659,819,801 | ............. | 679,792,180 | -19,972,379 | ............. | 39,506,490 |
| 1927 | 683,121,989 | ............. | 714,628,189 | -31,506,201 | ............. | 27,263,191 |
| 1928 | 693,633,921 | ............. | 725,755,017 | -32,121,096 | ............. | 32,080,202 |
| 1929 | 696,947,578 | ............. | 782,408,754 | -85,461,176 | ............. | 94,699,744 |
| 1930 | 705,484,098 | $39,669,718 | 764,030,368 | -98,215,987 | ............. | 91,714,451 |
| 1931 | 656,463,383 | 48,047,308 | 754,482,265 | -146,066,190 | ............. | 145,643,613 |
| 1932 | 588,171,923 | 53,304,423 | 740,418,111 | -205,550,611 | ............. | 202,876,341 |
| 1933 | 587,631,364 | 61,691,287 | 638,314,969 | -112,374,892 | ............. | 117,380,192 |
| 1934 | 586,733,166 | 66,623,130 | 564,143,871 | -44,033,835 | ............. | 52,003,296 |
| 1935 | 630,795,302 | 69,537,252 | 627,066,001 | -65,807,951 | ............. | 63,970,405 |
| 1936 | 665,343,356 | 68,585,283 | 685,074,398 | -88,316,324 | ............. | 86,038,862 |
| 1937 | 726,201,110 | 51,587,336 | 721,228,506 | -46,614,732 | ............. | 41,896,945 |
| 1938 | 728,634,051 | 42,799,687 | 729,645,920 | -43,811,556 | ............. | 44,258,861 |
| 1939 | 745,955,075 | 48,540,273 | 736,106,665 | -38,691,863 | ............. | 41,237,263 |
| 1940 | 766,948,627 | 53,331,172 | 754,401,694 | -40,784,239 | ............. | 40,870,336 |
| 1941 | 812,827,736 | 58,837,470 | 778,108,078 | -24,117,812 | ............. | 30,064,048 |
| 1942 | 859,817,491 | 73,916,128 | 800,040,400 | -14,139,037 | ............. | 18,308,869 |
| 1943 | 966,227,289 | 122,343,916 | 830,191,463 | 13,691,909 | ............. | 14,620,875 |
| 1944 | 1,112,877,174 | 126,639,650 | 942,345,968 | 43,891,556 | 1,000,000 | [5] -28,999,995 |
| 1945 | 1,314,240,132 | 116,198,782 | 1,028,902,402 | 169,138,948 | 188,102,579 | 649,769 |
| 1946 | 1,224,572,173 | 100,246,983 | 1,253,406,696 | -129,081,506 | ............. | 160,572,098 |
| 1947 | 1,299,141,041 | 92,198,225 | 1,412,600,531 | -205,657,715 | 12,000,000 | 241,787,174 |
| 1948 | 1,410,971,284 | 96,222,339 | 1,591,583,096 | -276,834,152 | ............. | 310,213,451 |
| 1949 | 1,571,851,202 | 120,118,663 | 2,029,203,465 | -577,470,926 | ............. | 524,297,262 |
| 1950 | 1,677,486,967 | 119,960,324 | 2,102,988,758 | -545,462,114 | ............. | 592,514,046 |
| 1951 | 1,776,816,354 | 104,895,553 | 2,236,503,513 | -564,582,711 | ............. | 624,169,406 |
| 1952 | 1,947,316,280 | 107,209,837 | 2,559,650,534 | -719,544,090 | ............. | 740,000,000 |
| 1953 | 2,091,714,112 | 103,445,741 | 2,638,680,670 | -650,412,299 | ............. | 660,121,483 |
| 1954[7] | 2,263,389,229 | ([8]) | 2,575,386,760 | -311,997,531 | ............. | 521,999,804 |

[1] For figures from 1789 through 1910, see Secretary's annual report for 1946, p.419.

[2] Postal expenditures include adjusted losses, etc.--postal funds and expenditures from postal balances, but are exclusive of departmental expenditures in Washington, D. C., to the close of fiscal year 1922, and amounts transferred to the civil service retirement and disability fund, fiscal years 1921 to 1926, inclusive. For 1927 and subsequent years salary deductions are included in "Postal expenditures," the deductions having been paid to and deposited by disbursing clerks for credit of the retirement fund.

[3] On basis of warrants issued for 1914 and 1915, and on basis of daily Treasury statements from 1916 through 1953.

[4] On basis of warrants issued prior to 1922; on basis of daily Treasury statements from 1922 through 1953; and on the basis of the "Combined Statement of Receipts, Expenditures and Balances of the United States Government" for 1954. Represents advances from the general fund of the Treasury to the Postmaster General to meet deficiencies in the postal revenues. These figures do not include any allowances for offsets on account of extraordinary expenditures or the cost of free mailings contributing to the deficiency of postal revenues certified to the Secretary of the Treasury by the Postmaster General pursuant to the act of Congress approved June 9, 1930. Excludes amounts transferred to the civil service retirement and disability fund under act of May 22, 1920 (41 Stat. 614), and amendments thereto on account of salary deductions of 2 1/2 percent, as follows: 1921, $6,519,683.59; 1922, $7,899,006.28; 1923, $8,284,081.00; 1924, $8,679,658.60; 1925, $10,266,977.00; and 1926, $10,472,289.59. See note 2. Actual advances from general fund are reduced by repayments from prior year advances.

[5] Repayment of unexpended portion of prior years' advances.

[6] Exclusive of general fund payments from the appropriation "Additional compensation, Postal Service" under authority of the act approved Nov. 8, 1919, in the amounts of $35,698,400, $1,374,015, and $6,700 for 1920, 1921, and 1922, respectively.

[7] Transactions for 1954 are reported on the basis of cash receipts and expenditures recorded in the accounts of the Post Office Department. This basis differs from that used in reports of the Postmaster General, which are on a modified accrual basis.

[8] See letter of Postmaster General in exhibit 78.

TABLE 13.--Treasury cash income and outgo, fiscal years 1947-54

[In millions of dollars. On basis of old daily Treasury statements from 1947 through 1952, and on basis of the new daily Treasury statements and the new "Monthly Statement of Receipts and Expenditures of the United States Government" for 1953 and 1954]

| | 1947 | 1948 | 1949 | 1950 | 1951 | 1952 | 1953[1] | 1954[1] |
|---|---|---|---|---|---|---|---|---|
| **1. SUMMARY OF CASH TRANSACTIONS** | | | | | | | | |
| Cash transactions other than borrowing: | | | | | | | | |
| Cash deposits | 43,590 | 45,399 | 41,628 | 40,970 | 53,439 | 68,093 | [2] 71,345 | [2] 71,815 |
| Cash withdrawals | 36,924 | 36,443 | 40,468 | 43,087 | 45,726 | 67,786 | [2] 76,407 | [2] 71,974 |
| Excess of deposits, or withdrawals (-) | 6,665 | 8,956 | 1,160 | -2,117 | 7,714 | 307 | -5,062 | [2] -159 |
| Net cash borrowing, or repayment of borrowing (-) | -19,395 | -7,333 | -2,621 | 4,163 | -5,874 | -695 | 2,763 | 2,255 |
| Increase, or decrease (-), in Treasurer's cash balance | [3] -10,930 | 1,624 | -1,462 | 2,047 | 1,839 | -388 | -2,299 | 2,096 |
| Memorandum: Net receipts from exercise of monetary authority[4] | 60 | 37 | 46 | 25 | 43 | 68 | 56 | 73 |
| **2. DERIVATION OF CASH DEPOSITS** | | | | | | | | |
| Receipts: | | | | | | | | |
| Budget (net)[5] | 39,786 | 41,488 | 37,696 | 36,495 | 47,568 | 61,391 | 64,825 | 64,655 |
| Trust accounts | 6,244 | 6,515 | 5,714 | 6,669 | 7,796 | 8,807 | 8,929 | 9,155 |
| Total | 46,030 | 48,003 | 43,410 | 43,164 | 55,364 | 70,198 | 73,754 | 73,811 |
| Plus: Noncash items deducted from budget receipts—excess profits tax refund bonds[6] | -39 | -10 | -4 | -1 | -1 | -1 | (*) | (*) |
| Total | 45,991 | 47,993 | 43,406 | 43,162 | 55,363 | 70,197 | 73,754 | 73,811 |
| Less: Interfund transactions: | | | | | | | | |
| Transfers, budget to trust accounts | 1,105 | 455 | 366 | 834 | 397 | 567 | 462 | 164 |
| Payroll deductions for employees' retirement | 259 | 236 | 327 | 358 | 378 | 411 | 420 | 430 |
| Reimbursement to budget from trust accounts[7] | 16 | 14 | 24 | 17 | 21 | 26 | 66 | 76 |
| Interest payments: | | | | | | | | |
| By Treasury to trust accounts | 646 | 746 | 841 | 880 | 892 | 987 | 1,094 | 1,188 |
| To Treasury by Government agencies | 105 | 112 | 33 | 73 | 87 | 100 | 144 | 221 |
| Other[8] | 272 | 1,030 | 188 | 30 | 148 | 13 | 7 | 18 |
| Total interfund transactions | 2,402 | 2,594 | 1,778 | 2,192 | 1,923 | 2,104 | 2,194 | 2,097 |
| Adjustment for differences in reporting bases[9] | .......... | .......... | .......... | .......... | .......... | .......... | -215 | 101 |
| Equals: Cash deposits | 43,590 | 45,399 | 41,628 | 40,970 | 53,439 | 68,093 | [2] 71,345 | [2] 71,815 |

TABLE 13.--Treasury cash income and outgo, fiscal years 1947-54--Continued

[In millions of dollars]

| | 1947 | 1948 | 1949 | 1950 | 1951 | 1952 | 1953[1] | 1954[1] |
|---|---|---|---|---|---|---|---|---|
| 3. DERIVATION OF CASH WITHDRAWALS | | | | | | | | |
| Expenditures: | | | | | | | | |
| Budget[5] | 39,032 | 33,069 | 39,507 | 39,617 | 44,058 | 65,408 | 74,274 | 67,772 |
| Trust account and other transactions[10] | 7,347 | 6,810 | 6,209 | 6,570 | 7,117 | 8,660 | 8,495 | 8,828 |
| Exchange stabilization fund[11] | 1,026 | 563 | 98 | -207 | -13 | 9 | -28 | -109 |
| Total | 47,405 | 40,441 | 45,814 | 45,980 | 51,162 | 74,076 | 82,741 | 76,491 |
| Less: Interfund transactions (Part 2) | 2,402 | 2,594 | 1,778 | 2,191 | 1,923 | 2,104 | 2,194 | 2,097 |
| Noncash and other expenditures reflected in debt transactions: | | | | | | | | |
| Interest on savings bonds and Treasury bills[12] | 469 | 559 | 580 | 574 | 638 | 779 | 719 | 524 |
| Net investments in public debt securities: | | | | | | | | |
| By trust funds and accounts | 3,363 | 3,060 | 2,311 | -405 | 3,369 | 3,355 | 3,068 | 1,688 |
| By Government agencies[13] | 177 | -69 | 319 | 97 | 186 | 281 | 232 | 366 |
| Net redemptions of obligations of Government agencies in the market | 359 | -107 | 74 | 22 | -384 | 72 | 25 | 4 |
| Noncash budget expenditures involving issuance of public debt securities:[14] | | | | | | | | |
| Armed forces leave bonds | 1,793 | -1,229 | -164 | -95 | -160 | -68 | -24 | -14 |
| Adjusted service bonds | -8 | -4 | -2 | -2 | -1 | -1 | -1 | -1 |
| Notes issued to International Bank and Fund | 1,366 | -350 | -25 | -41 | ........ | ........ | ........ | ........ |
| Total deductions | 9,919 | 4,453 | 4,871 | 2,342 | 5,571 | 6,522 | 6,214 | 4,665 |
| Adjustments for differences in reporting bases:[15] | | | | | | | | |
| Changes in accounts necessary to reconcile to Treasury cash[16] | -555 | 507 | -366 | -483 | 214 | 401 | 250 | 303 |
| To exclude adjustments applicable to deposit transactions in Part 2 | ........ | ........ | ........ | ........ | ........ | ........ | -215 | 101 |
| To exclude differences in net transactions in securities by Government agencies, adjusted in Part 4:[17] | | | | | | | | |
| Transactions not cleared through Treasurer's account | -7 | -52 | -108 | -68 | -79 | -170 | -155 | -274 |
| Other differences | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 17 |
| Net adjustments applicable to withdrawals | -562 | 455 | -475 | -551 | 135 | 232 | -119 | 148 |
| Equals: Cash withdrawals | 36,924 | 36,443 | 40,468 | 43,087 | 45,726 | 67,786 | [2] 76,407 | [2] 71,974 |
| Memorandum: Interest payments by Treasury to Government corporations not wholly owned[18] | 25 | 24 | 29 | 32 | 31 | 34 | 37 | 42 |

4. DERIVATION OF CASH BORROWING OR REPAYMENT OF BORROWING

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Public debt increase, or decrease (-) | -11,136 | -5,994 | 478 | 4,587 | -2,135 | 3,883 | 6,966 | 5,189 |
| Less: | | | | | | | | |
| Interest on savings bonds and Treasury bills[12] | 469 | 559 | 580 | 574 | 638 | 779 | 719 | 524 |
| Net investments in public debt securities: | | | | | | | | |
| By trust funds and accounts | 3,362 | 3,060 | 2,311 | -405 | 3,369 | 3,355 | 3,068 | 1,688 |
| By Government agencies[13] | 177 | -69 | 319 | 97 | 186 | 281 | 232 | 366 |
| Issuance of public debt securities involved in expenditures of other accounts or in refunds of receipts: | | | | | | | | |
| Armed forces leave bonds[14] | 1,793 | -1,229 | -164 | -95 | -160 | -68 | -24 | -14 |
| Adjusted service bonds[14] | -8 | -4 | -2 | -2 | -1 | -1 | -1 | -1 |
| Notes to International Bank and Fund[11 14] | 2,140 | -913 | -123 | 166 | 13 | -9 | 28 | 109 |
| Excess profits tax refund bonds[6] | -39 | -10 | -4 | -1 | -1 | -1 | (*) | (*) |
| Total deductions | 7,893 | 1,394 | 2,916 | 334 | 4,044 | 4,336 | 4,023 | 2,673 |
| Plus: | | | | | | | | |
| Net sales of obligations of Government agencies in the market: | | | | | | | | |
| Guaranteed securities | -387 | -16 | -46 | -8 | 10 | 16 | 7 | 29 |
| Nonguaranteed securities | 28 | 123 | -28 | -14 | 374 | -88 | -32 | -33 |
| Adjustments for differences in reporting bases for net transactions in securities by Government agencies:[19] | | | | | | | | |
| Transactions not cleared through Treasurer's account | -7 | -52 | -108 | -68 | -79 | -170 | -155 | -274 |
| Other differences | .......... | .......... | .......... | .......... | ......... | .......... | .......... | 17 |
| Equals: Net cash borrowing, or repayment of borrowing (-)[20] | -19,395 | -7,333 | -2,621 | 4,163 | -5,874 | -695 | 2,763 | 2,255 |

NOTE.--The cash income and outgo of the Treasury shown in this table consist of cash deposits and withdrawals in the account of the Treasurer of the United States. This is in line with the new reporting basis of the "Daily Statement of the United States Treasury." Effective February 17, 1954, the daily Treasury statement shows deposits and withdrawals affecting the account of the Treasurer of the United States. Budget results and trust account and other transactions are now reported once each month in the "Monthly Statement of Receipts and Expenditures of the United States Government."

Figures for previous fiscal years heretofore published have been revised to the basis of deposits and withdrawals by eliminating corporation and agency transactions included in the old daily statement but not cleared through the Treasurer's account. The cash borrowing or repayment of borrowing as now shown is likewise based only on transactions cleared through the Treasurer's account.

In Parts 2, 3, and 4 is given the reconciliation of the cash transactions with the budget and other transactions which formerly appeared in the old daily statement and now appear in the new monthly statement. This table follows the method used previously for deriving cash income and outgo from the transactions carried in the old daily statement. Some rearrangement has been made in the table setup, principally to combine all receipts and all expenditures instead of deriving separately the cash budget and trust account transactions.

Reporting bases for the two statements differ in two respects. Certain corporation and agency transactions in securities which are not effected through the account of the Treasurer of the United States are included in the monthly statement but excluded from the daily statement. These are eliminated from the monthly statement figures in arriving at the cash transactions shown in this table. Other differences arise because of the differences in timing, as between checks issued (monthly statement) and checks paid (daily statement) for expenditures, or between collections (monthly statement) and clearances (daily statement) for receipts. Thus an individual transaction near the end of a month may be included during that month in one statement but not until the following month in the other. These differences tend to correct themselves over a period of time, but for a given reporting date it is necessary to include an adjustment figure to cover them.

*Less than $500,000.

[1]New reporting basis, see NOTE.

[2]Differs from figure as originally published in the daily Treasury statement because of reclassification of certain interfund transactions.

[3]In addition to this decrease in the balance in the Treasurer's account, the exchange stabilization fund was drawn down by $1,800 million for subscription to the capital of the International Monetary Fund.

[4]Consists of seigniorage on silver and increment resulting from reduction in weight of the gold dollar. This item is part of the cash budget receipts shown in

Footnotes for table 13--Continued

this table, but is excluded from Bureau of the Budget figures for "Receipts from the Public."

[5]For description of content, see table 5.

[6]Deduction from budget receipts of the tax refunds represented by these bonds is treated as a noncash deduction at the time of issuance of the bonds and as a cash deduction at the time of redemption of the bonds; net issuance, or redemption (-).

[7]By Federal old-age and survivors insurance trust fund through October 1948. Thereafter includes also reimbursements from the District of Columbia and the Panama Canal Company.

[8]Includes proceeds of ship sales carried in trust accounts pending allocation to budget receipts from sale of surplus property, transfers between trust accounts, and payment of earnings or repayment of capital stock to the Treasury by corporations not wholly owned. Figures for 1947 and 1948 include $53 million and $8 million, respectively, of armed forces leave bonds redeemed for insurance premiums; after August 31, 1947, these bonds were redeemable for cash.

[9]For explanation, see NOTE. Excess of receipts on monthly statement basis is deducted.

[10]Includes net investments of Government agencies in public debt securities and net redemptions in the market of securities of Government agencies (see table 6).

[11]The United States subscription to the capital of the International Monetary Fund was paid in part from the exchange stabilization fund.

[12]Accrued discount on savings bonds and bills less interest paid on savings bonds and bills redeemed.

[13]Prior to 1951, consists of net investments of corporations not wholly owned; beginning with that year, includes also those of wholly owned corporations and agencies which for prior years are included in budget expenditures.

[14]Treated as noncash expenditures at the time of issuance and as cash expenditures at the time of redemption; net issuance, or redemption (-).

[15]For explanation see NOTE. Excess of expenditures on monthly statement basis is deducted.

[16]As shown in the "Monthly Statement of Receipts and Expenditures of the United States Government"; consists of changes in checks and interest coupons outstanding and telegraphic reports from Federal Reserve Banks, and beginning with the fiscal year 1954, also changes in deposits in transit and cash held outside the Treasury.

[17]Net investments of Government agencies in public debt securities and net redemptions of obligations of Government agencies in the market.

[18]Since deposit funds (net) are included under trust account expenditures, the interest received by corporations not wholly owned is carried there as a negative expenditure. Thus when budget expenditures and trust account expenditures are combined, the payment and receipt of this interest offset each other. Payment of interest to wholly owned Government corporations is offset because it is treated as a negative budget expenditure when received by the corporations.

[19]Net investments of Government agencies in public debt securities and net sales of obligations of Government agencies in the market.

[20]Includes borrowing through Postal Savings System.

## PUBLIC DEBT, GUARANTEED OBLIGATIONS, ETC.

### OUTSTANDING PUBLIC DEBT, GUARANTEED OBLIGATIONS, ETC.

TABLE 14.--Statutory limitation on the public debt and guaranteed obligations, June 30, 1954

[In millions of dollars]

PART I.--STATUS UNDER LIMITATION, JUNE 30, 1954

| | Amount | |
|---|---|---|
| Maximum amount of securities which may be outstanding at any one time, under limitations imposed by Section 21 of the Second Liberty Bond Act, as amended (31 U. S. C. 757b)[1] | | 275,000 |
| Amount of securities outstanding subject to such statutory debt limitation: | | |
| U. S. Government securities issued under the Second Liberty Bond Act, as amended | 270,709 | |
| Guaranteed obligations (excluding those held by the Treasury) | 81 | |
| Total amount of securities outstanding subject to statutory debt limitation | | 270,790 |
| Balance issuable under limitation | | 4,210 |

PART II.--APPLICATION OF LIMITATION TO PUBLIC DEBT AND GUARANTEED OBLIGATIONS OUTSTANDING JUNE 30, 1954

| Class of security | Subject to statutory debt limitation | Not subject to statutory debt limitation | Total outstanding |
|---|---|---|---|
| Public debt: | | | |
| Interest-bearing securities: | | | |
| Marketable: | | | |
| Treasury bills | 19,515 | ............ | 19,515 |
| Certificates of indebtedness | 18,405 | ............ | 18,405 |
| Treasury notes | 31,960 | ............ | 31,960 |
| Treasury bonds-bank eligible | 71,706 | ............ | 71,706 |
| Treasury bonds-bank restricted[2] | 8,672 | ............ | 8,672 |
| Postal savings and Panama Canal bonds | .......... | 96 | 96 |
| Total marketable | 150,258 | 96 | 150,354 |
| Nonmarketable: | | | |
| U. S. savings bonds (current redemption value) | 58,061 | ............ | 58,061 |
| Treasury savings notes | 5,079 | ............ | 5,079 |
| Depositary bonds | 411 | ............ | 411 |
| Treasury bonds, investment series | 12,775 | ............ | 12,775 |
| Total nonmarketable | 76,326 | ............ | 76,326 |
| Special issues to Government agencies and trust funds | 42,229 | ............ | 42,229 |
| Total interest-bearing securities | 268,814 | 96 | 268,910 |
| Matured debt on which interest has ceased | 433 | 4 | 437 |
| Debt bearing no interest: | | | |
| United States savings stamps | 50 | ............ | 50 |
| Excess profits tax refund bonds | 1 | ............ | 1 |
| Special notes of the United States: | | | |
| International Monetary Fund Series | 1,411 | ............ | 1,411 |
| United States notes (less gold reserve) | .......... | 191 | 191 |
| Deposits for retirement of national bank and Federal Reserve Bank notes | .......... | 254 | 254 |
| Other debt bearing no interest | .......... | 6 | 6 |
| Total debt bearing no interest | 1,463 | 450 | 1,913 |
| Total public debt | 270,709 | 551 | 271,260 |
| Guaranteed obligations (excluding those held by the Treasury): | | | |
| Interest-bearing | 80 | ............ | 80 |
| Matured | 1 | ............ | 1 |
| Total guaranteed obligations | 81 | ............ | 81 |
| Total public debt and guaranteed obligations | 270,790 | 551 | 271,341 |

[1] Public Law 686, approved Aug. 28, 1954, temporarily increased the limitation by $6 billion during the period August 28, 1954, through June 30, 1955.
[2] Issues which commercial banks may not acquire prior to a specified date (with minor exceptions). See table 49, footnote 5.

TABLE 15.--Debt outstanding subject to statutory debt limitation as of selected dates

| Effective date | Amount of limit | Debt outstanding subject to limitation at end of month immediately preceding the next change in the statutory limitation |
|---|---|---|
| February 19, 1941 | $65,000,000,000 | $63,594,112,231 |
| March 28, 1942 | 125,000,000,000 | 118,494,540,437 |
| April 11, 1943 | 210,000,000,000 | 193,042,177,209 |
| June 9, 1944 | 260,000,000,000 | 242,749,920,126 |
| April 3, 1945 | [1] 300,000,000,000 | 282,734,856,863 |
| June 26, 1946 | [2] 275,000,000,000 | 270,466,408,030 |
| August 28, 1954 | [3] 281,000,000,000 | .................. |

NOTE.--A summary of debt limitations from 1917 through 1940 fixed by Section 21 of the Second Liberty Bond Act, as amended, appears in the 1940 annual report, p. 70. The annual report for 1941, pp. 28-30, contains a summary of Section 2 of the Public Debt Act of 1941, which consolidated into Section 21 of the Second Liberty Bond Act, as amended, all authority to issue direct obligations of the United States and increased the limit to more than the combined total of separate limitations in effect previously.

[1] Guaranteed securities held outside the Treasury were not included in the statutory debt limitation until April 3, 1945.
[2] Since June 26, 1946, U. S. savings bonds have been included in the public debt at their current redemption value. Prior to that time for purposes of the limitation, they were carried at maturity value.
[3] Public Law 686, 83rd Cong., 2nd Sess., authorized that the public debt limit be increased temporarily until June 30, 1955, by $6,000,000,000.

TABLE 16.--Public debt and guaranteed obligations outstanding, June 30, 1934-54

| June 30 | Gross public debt[1] | Guaranteed obligations held outside the Treasury[2] | | | Total gross public debt and guaranteed obligations[1] | |
|---|---|---|---|---|---|---|
| | | Interest-bearing | Matured | Total | Total | Per capita[3] |
| 1934 | $27,053,141,414 | $680,767,817 | .............. | $680,767,817 | $27,733,909,231 | $219.46 |
| 1935 | 28,700,892,625 | 4,122,684,692 | .............. | 4,122,684,692 | 32,823,577,316 | 257.95 |
| 1936 | 33,778,543,494 | 4,718,033,242 | .............. | 4,718,033,242 | 38,496,576,735 | 300.63 |
| 1937 | 36,424,613,732 | 4,664,594,533 | $10,000 | 4,664,604,533 | 41,089,218,265 | 318.95 |
| 1938 | 37,164,740,315 | 4,852,559,151 | 232,500 | 4,852,791,651 | 42,017,531,967 | 323.65 |
| 1939 | 40,439,532,411 | 5,450,012,899 | 821,200 | 5,450,834,099 | 45,890,366,510 | 350.63 |
| 1940 | 42,967,531,038 | 5,497,556,555 | 31,514,100 | 5,529,070,655 | 48,496,601,693 | 367.08 |
| 1941 | 48,961,443,536 | 6,359,619,105 | 10,633,475 | 6,370,252,580 | 55,331,696,116 | 414.85 |
| 1942 | 72,422,445,116 | 4,548,529,255 | 19,730,375 | 4,568,259,630 | 76,990,704,746 | 571.02 |
| 1943 | 136,696,090,330 | 4,091,686,621 | 8,256,425 | 4,099,943,046 | 140,796,033,376 | 1,029.82 |
| 1944 | 201,003,387,221 | 1,515,638,626 | 107,430,675 | 1,623,069,301 | 202,626,456,522 | 1,464.17 |
| 1945 | 258,682,187,410 | 409,091,867 | 24,066,525 | 433,158,392 | 259,115,345,802 | 1,851.70 |
| 1946 | 269,422,099,173 | 466,671,984 | 9,712,875 | 476,384,859 | 269,898,484,033 | 1,908.79 |
| 1947 | 258,286,383,109 | 83,212,285 | 6,307,900 | 89,520,185 | 258,375,903,294 | 1,792.67 |
| 1948 | 252,292,246,513 | 68,768,043 | 4,692,775 | 73,460,818 | 252,365,707,331 | 1,721.21 |
| 1949 | 252,770,359,860 | 23,862,383 | 3,413,025 | 27,275,408 | 252,797,635,268 | 1,694.93 |
| 1950 | 257,357,352,351 | 17,077,809 | 2,425,225 | 19,503,034 | 257,376,855,385 | r 1,696.81 |
| 1951 | 255,221,976,815 | 27,364,069 | 1,863,100 | 29,227,169 | 255,251,203,984 | 1,653.61 |
| 1952 | 259,105,178,785 | 44,092,646 | 1,472,700 | 45,565,346 | 259,150,744,131 | r 1,650.41 |
| 1953 | 266,071,061,639 | 50,881,686 | 1,191,075 | 52,072,761 | 266,123,134,400 | r 1,667.14 |
| 1954 | 271,259,599,108 | 80,415,386 | 1,026,000 | 81,441,386 | 271,341,040,495 | 1,670.68 |

NOTE.--Gross public debt on basis of daily Treasury statements. Guaranteed obligations from 1934 through 1939 on basis of Public Debt accounts, and for 1940 and subsequent years on basis of daily Treasury statements.

r Revised.
[1] Includes certain obligations not subject to statutory limitation. For amounts subject to limitation, see table 1.
[2] Consists of obligations issued by certain Government corporations and credit agencies, obligations which are guaranteed by the United States as to both principal and interest. They were first authorized in 1932, but no such obligations were outstanding at the end of the fiscal years 1932 and 1933.
[3] Based on Bureau of the Census estimated population for continental United States.

TABLE 17. --Principal of the public debt, 1790-1954[1]

[On basis of Public Debt accounts from 1790 through 1919, and on basis of daily Treasury statements from 1920 to date, see "Bases of Tables"[1]]

| Date | Total gross debt | Date | Total gross debt | Date | Total gross debt |
|---|---|---|---|---|---|
| December 31- | | December 31- | | December 31- | |
| 1790 | $75,463,477 | 1812 | $55,962,828 | 1833 | $4,760,082 |
| 1791 | 77,227,925 | 1813 | 81,487,846 | 1834 | 37,733 |
| 1792 | 80,358,634 | 1814 | 99,833,660 | 1835 | 37,513 |
| 1793 | 78,427,405 | 1815 | 127,334,934 | 1836 | 336,958 |
| 1794 | 80,747,587 | 1816 | 123,491,965 | 1837 | 3,308,124 |
| 1795 | 83,762,172 | 1817 | 103,466,634 | 1838 | 10,434,221 |
| 1796 | 82,064,479 | 1818 | 95,529,648 | 1839 | 3,573,344 |
| 1797 | 79,228,529 | 1819 | 91,015,566 | 1840 | 5,250,876 |
| 1798 | 78,408,670 | 1820 | 89,987,428 | 1841 | 13,594,481 |
| 1799 | 82,976,294 | 1821 | 93,546,677 | 1842 | 20,201,226 |
| 1800 | 83,038,051 | 1822 | 90,875,877 | June 30- | |
| 1801 | 80,712,632 | 1823 | 90,269,778 | 1843 | 32,742,922 |
| 1802 | 77,054,686 | 1824 | 83,788,433 | 1844 | 23,461,653 |
| 1803 | 86,427,121 | 1825 | 81,054,060 | 1845 | 15,925,303 |
| 1804 | 82,312,151 | 1826 | 73,987,357 | 1846 | 15,550,203 |
| 1805 | 75,723,271 | 1827 | 67,475,044 | 1847 | 38,826,535 |
| 1806 | 69,218,399 | 1828 | 58,421,414 | 1848 | 47,044,862 |
| 1807 | 65,196,318 | 1829 | 48,565,407 | 1849 | 63,061,859 |
| 1808 | 57,023,192 | 1830 | 39,123,192 | 1850 | 63,452,774 |
| 1809 | 53,173,218 | 1831 | 24,322,235 | 1851 | 68,304,796 |
| 1810 | 48,005,588 | 1832 | 7,001,699 | 1852 | 66,199,342 |
| 1811 | 45,209,738 | | | | |

| June 30 | Interest-bearing[2] | Matured debt on which interest has ceased | Debt bearing no interest[3] | Total gross debt | Gross debt per capita[4] |
|---|---|---|---|---|---|
| 1853 | $59,642,412 | $162,249 | ... | $59,804,661 | $2.32 |
| 1854 | 42,044,517 | 199,248 | ... | 42,243,765 | 1.59 |
| 1855 | 35,418,001 | 170,498 | ... | 35,588,499 | 1.30 |
| 1856 | 31,805,180 | 168,901 | ... | 31,974,081 | 1.13 |
| 1857 | 28,503,377 | 197,998 | ... | 28,701,375 | .99 |
| 1858 | 44,743,256 | 170,168 | ... | 44,913,424 | 1.50 |
| 1859 | 58,333,156 | 165,225 | ... | 58,498,381 | 1.91 |
| 1860 | 64,683,256 | 160,575 | ... | 64,843,831 | 2.06 |
| 1861 | 90,423,292 | 159,125 | ... | 90,582,417 | 2.80 |
| 1862 | 365,356,045 | 230,520 | $158,591,390 | 524,177,955 | 15.79 |
| 1863 | 707,834,255 | 171,970 | 411,767,456 | 1,119,773,681 | 32.91 |
| 1864 | 1,360,026,914 | 366,629 | 455,437,271 | 1,815,830,814 | 52.08 |
| 1865 | 2,217,709,407 | 2,129,425 | 458,090,180 | 2,677,929,012 | 75.01 |
| 1866 | 2,322,116,330 | 4,435,865 | 429,211,734 | 2,755,763,929 | 75.42 |
| 1867 | 2,238,954,794 | 1,739,108 | 409,474,321 | 2,650,168,223 | 70.91 |
| 1868 | 2,191,326,130 | 1,246,334 | 390,873,992 | 2,583,446,456 | 67.61 |
| 1869 | 2,151,495,065 | 5,112,034 | 388,503,491 | 2,545,110,590 | 65.17 |
| 1870 | 2,035,881,095 | 3,569,664 | 397,002,510 | 2,436,453,269 | 61.06 |
| 1871 | 1,920,696,750 | 1,948,902 | 399,406,489 | 2,322,052,141 | 56.72 |
| 1872 | 1,800,794,100 | 7,926,547 | 401,270,191 | 2,209,990,838 | 52.65 |
| 1873 | 1,696,483,950 | 51,929,460 | 402,796,935 | 2,151,210,345 | 50.02 |
| 1874 | 1,724,930,750 | 3,216,340 | 431,785,640 | 2,159,932,730 | 49.05 |
| 1875 | 1,708,676,300 | 11,425,570 | 436,174,779 | 2,156,276,649 | 47.84 |
| 1876 | 1,696,685,450 | 3,902,170 | 430,258,158 | 2,130,845,778 | 46.22 |
| 1877 | 1,697,888,500 | 16,648,610 | 393,222,793 | 2,107,759,903 | 44.71 |
| 1878 | 1,780,735,650 | 5,594,070 | 373,088,595 | 2,159,418,315 | 44.82 |
| 1879 | 1,887,716,110 | 37,015,380 | 374,181,153 | 2,298,912,643 | 46.72 |
| 1880 | 1,709,993,100 | 7,621,205 | 373,294,567 | 2,090,908,872 | 41.60 |
| 1881 | 1,625,567,750 | 6,723,615 | 386,994,363 | 2,019,285,728 | 39.18 |
| 1882 | 1,449,810,400 | 16,260,555 | 390,844,689 | 1,856,915,644 | 35.16 |
| 1883 | 1,324,229,150 | 7,831,165 | 389,898,603 | 1,721,958,918 | 31.83 |
| 1884 | 1,212,563,850 | 19,655,955 | 393,087,639 | 1,625,307,444 | 29.35 |
| 1885 | 1,182,150,950 | 4,100,745 | 392,299,474 | 1,578,551,169 | 27.86 |
| 1886 | 1,132,014,100 | 9,704,195 | 413,941,255 | 1,555,659,550 | 26.85 |
| 1887 | 1,007,692,350 | 6,114,915 | 451,678,029 | 1,465,485,294 | 24.75 |
| 1888 | 936,522,500 | 2,495,845 | 445,613,311 | 1,384,631,656 | 22.89 |
| 1889 | 815,853,990 | 1,911,235 | 431,705,286 | 1,249,470,511 | 20.23 |
| 1890 | 711,313,110 | 1,815,555 | 409,267,919 | 1,122,396,584 | 17.80 |
| 1891 | 610,529,120 | 1,614,705 | 393,662,736 | 1,005,806,561 | 15.63 |
| 1892 | 585,029,330 | 2,785,875 | 380,403,636 | 968,218,841 | 14.74 |
| 1893 | 585,037,100 | 2,094,060 | 374,300,606 | 961,431,766 | 14.36 |
| 1894 | 635,041,890 | 1,851,240 | 380,004,687 | 1,016,897,817 | 14.89 |
| 1895 | 716,202,060 | 1,721,590 | 378,989,470 | 1,096,913,120 | 15.76 |

Footnotes at end of table.

TABLE 17.--Principal of the public debt, 1790-1954[1]--Continued

| June 30 | Interest-bearing[2] | Matured debt on which interest has ceased | Debt bearing no interest[3] | Total gross debt | Gross debt per capita[4] |
|---|---|---|---|---|---|
| 1896 | $847,363,890 | $1,636,890 | $373,728,570 | $1,222,729,350 | $17.25 |
| 1897 | 847,365,130 | 1,346,880 | 378,081,703 | 1,226,793,713 | 16.99 |
| 1898 | 847,367,470 | 1,262,680 | 384,112,913 | 1,232,743,063 | 16.77 |
| 1899 | 1,046,048,750 | 1,218,300 | 389,433,654 | 1,436,700,704 | 19.21 |
| 1900 | 1,023,478,860 | 1,176,320 | 238,761,733 | 1,263,416,913 | 16.60 |
| 1901 | 987,141,040 | 1,415,620 | 233,015,585 | 1,221,572,245 | 15.74 |
| 1902 | 931,070,340 | 1,280,860 | 245,680,157 | 1,178,031,357 | 14.88 |
| 1903 | 914,541,410 | 1,205,090 | 243,659,413 | 1,159,405,913 | 14.38 |
| 1904 | 895,157,440 | 1,970,920 | 239,130,656 | 1,136,259,016 | 13.83 |
| 1905 | 895,158,340 | 1,370,245 | 235,828,510 | 1,132,357,095 | 13.51 |
| 1906 | 895,159,140 | 1,128,135 | 246,235,695 | 1,142,522,970 | 13.37 |
| 1907 | 894,834,280 | 1,086,815 | 251,257,098 | 1,147,178,193 | 13.19 |
| 1908 | 897,503,990 | 4,130,015 | 276,056,398 | 1,177,690,403 | 13.28 |
| 1909 | 913,317,490 | 2,883,855 | 232,114,027 | 1,148,315,372 | 12.69 |
| 1910 | 913,317,490 | 2,124,895 | 231,497,584 | 1,146,939,969 | 12.41 |
| 1911 | 915,353,190 | 1,879,830 | 236,751,917 | 1,153,984,937 | 12.29 |
| 1912 | 963,776,770 | 1,760,450 | 228,301,285 | 1,193,838,505 | 12.52 |
| 1913 | 965,706,610 | 1,659,550 | 225,681,585 | 1,193,047,745 | 12.27 |
| 1914 | 967,953,310 | 1,552,560 | 218,729,530 | 1,188,235,400 | 11.99 |
| 1915 | 969,759,090 | 1,507,260 | 219,997,718 | 1,191,264,068 | 11.85 |
| 1916 | 971,562,590 | 1,473,100 | 252,109,878 | 1,225,145,568 | 12.02 |
| 1917 | 2,712,549,477 | 14,232,230 | 248,836,878 | 2,975,618,585 | 28.77 |
| 1918 | 11,985,882,436 | 20,242,550 | 237,503,733 | 12,243,628,719 | 117.11 |
| 1919 | 25,234,496,274 | 11,109,370 | 236,428,775 | 25,482,034,419 | 242.54 |
| 1920 | 24,062,500,285 | 6,745,237 | 230,075,945 | 24,299,321,467 | 228.23 |
| 1921 | 23,738,900,085 | 10,688,160 | 227,862,308 | 23,977,450,553 | 220.91 |
| 1922 | 22,710,338,105 | 25,250,880 | 227,792,723 | 22,963,381,708 | 208.65 |
| 1923 | 22,007,043,612 | 98,738,910 | 243,924,844 | 22,349,707,365 | 199.64 |
| 1924 | 20,981,242,042 | 30,278,200 | 239,292,747 | 21,250,812,989 | 186.23 |
| 1925 | 20,210,906,915 | 30,258,980 | 275,027,993 | 20,516,193,888 | 177.12 |
| 1926 | 19,383,770,860 | 13,359,900 | 246,085,555 | 19,643,216,315 | 167.32 |
| 1927 | 18,252,664,666 | 14,718,585 | 244,523,681 | 18,511,906,932 | 155.51 |
| 1928 | 17,317,694,182 | 45,335,060 | 241,263,959 | 17,604,293,201 | 146.09 |
| 1929 | 16,638,941,379 | 50,749,199 | 241,397,905 | 16,931,088,484 | 139.04 |
| 1930 | 15,921,892,350 | 31,716,870 | 231,700,611 | 16,185,309,831 | 131.51 |
| 1931 | 16,519,588,640 | 51,819,095 | 229,873,756 | 16,801,281,492 | 135.45 |
| 1932 | 19,161,273,540 | 60,079,385 | 265,649,519 | 19,487,002,444 | 156.10 |
| 1933 | 22,157,643,120 | 65,911,170 | 315,118,270 | 22,538,672,560 | 179.48 |
| 1934 | 26,480,487,870 | 54,266,830 | 518,386,714 | 27,053,141,414 | 214.07 |
| 1935 | 27,645,241,089 | 230,662,155 | 824,989,381 | 28,700,892,625 | 225.55 |
| 1936 | 32,988,790,135 | 169,363,395 | 620,389,964 | 33,778,543,494 | 263.79 |
| 1937 | 35,800,109,418 | 118,529,815 | 505,974,499 | 36,424,613,732 | 282.75 |
| 1938 | 36,575,925,880 | 141,362,460 | 447,451,975 | 37,164,740,315 | 286.27 |
| 1939 | 39,885,969,732 | 142,283,140 | 411,279,539 | 40,439,532,411 | 308.98 |
| 1940 | 42,376,495,928 | 204,591,190 | 386,443,919 | 42,967,531,038 | 325.23 |
| 1941 | 48,387,399,539 | 204,999,860 | 369,044,137 | 48,961,443,536 | 367.09 |
| 1942 | 71,968,418,098 | 98,299,730 | 355,727,288 | 72,422,445,116 | 537.13 |
| 1943 | 135,380,305,795 | 140,500,090 | 1,175,284,445 | 136,696,090,330 | 999.83 |
| 1944 | 199,543,355,301 | 200,851,160 | 1,259,180,760 | 201,003,387,221 | 1,452.44 |
| 1945 | 256,356,615,818 | 268,667,135 | 2,056,904,457 | 258,682,187,410 | 1,848.60 |
| 1946 | 268,110,872,218 | 376,406,860 | 934,820,095 | 269,422,099,173 | 1,905.42 |
| 1947 | 255,113,412,039 | 230,913,536 | 2,942,057,534 | 258,286,383,109 | 1,792.05 |
| 1948 | 250,063,348,379 | 279,751,730 | 1,949,146,403 | 252,292,246,513 | 1,720.71 |
| 1949 | 250,761,636,723 | 244,757,458 | 1,763,965,680 | 252,770,359,860 | 1,694.75 |
| 1950 | 255,209,353,372 | 264,770,705 | 1,883,228,274 | 257,357,352,351 | r 1,696.68 |
| 1951 | 252,851,765,497 | 512,046,600 | 1,858,164,718 | 255,221,976,815 | 1,653.42 |
| 1952 | 256,862,861,128 | 418,692,165 | 1,823,625,492 | 259,105,178,785 | r 1,650.12 |
| 1953 | 263,946,017,740 | 298,420,570 | 1,826,623,328 | 266,071,061,639 | r 1,666.81 |
| 1954 | 268,909,766,654 | 437,184,655 | 1,912,647,799 | 271,259,599,108 | 1,670.17 |

r Revised.

[1] The outstanding principal of the public debt for the years 1790-1852, except for 1835, is taken from the annual report of the Secretary for 1909; the 1835 figure is taken from the annual reports of the Secretary for 1834-35, pp. 504 and 629. The detailed figures for 1790-1852 are not available on a basis comparable to those of subsequent years. Figures for 1853-85 are taken from the "Statement of Receipts and Expenditures of the Government from 1855 to 1885 and Principal of Public Debt from 1791 to 1885," compiled from the official records of the Register's office. From 1886-1919 the figures are taken from the monthly debt statements and revised figures published in the annual reports of the Secretary of the Treasury. From 1920 to date, the figures are taken from the Statement of the Public Debt published in the daily Treasury statements. From 1790-1842 the fiscal year ended December 31; and from 1843 to date the fiscal year ended June 30.

[2] Exclusive of the bonds issued to the Pacific railways (provision having been made by law to secure the Treasury against both principal and interest) and the Navy pension fund (which was in no sense a debt, the principal being the property of the United States).

[3] For content as of June 30, 1954, see table 23. Data for earlier years will be found in corresponding tables in appropriate annual reports.

[4] Based on Bureau of the Census estimated population for continental United States.

TABLE 18.--Summary of public debt and guaranteed obligations by security classes, June 30, 1954

| Class of security | Computed rate of interest[1] | Amount outstanding on basis of Public Debt accounts | Net adjustment to basis of daily Treasury statement[2] | Amount outstanding on basis of daily Treasury statement |
|---|---|---|---|---|
| PUBLIC DEBT | | | | |
| Interest-bearing debt: | | | | |
| Public issues: | | | | |
| Marketable obligations: | | | | |
| Treasury bills (regular series). | [3] .843 | $19,515,417,000.00 | ................ | $19,515,417,000.00 |
| Certificates of indebtedness.... | 1.928 | 18,404,999,000.00 | ................ | 18,404,999,000.00 |
| Treasury notes.................. | 1.838 | 31,959,951,000.00 | -$83,000.00 | 31,959,868,000.00 |
| Treasury bonds.................. | 2.440 | 80,377,949,950.00 | +1,500.00 | 80,377,951,450.00 |
| Other bonds..................... | 2.759 | 96,262,880.00 | ................ | 96,262,880.00 |
| Total marketable obligations... | 2.043 | 150,354,579,830.00 | -81,500.00 | 150,354,498,330.00 |
| Nonmarketable obligations: | | | | |
| Treasury savings notes.......... | 2.377 | 5,052,432,800.00 | +26,720,600.00 | 5,079,153,400.00 |
| United States savings bonds..... | 2.793 | 57,816,393,565.18 | +244,738,458.66 | 58,061,132,023.84 |
| Depositary bonds................ | 2.000 | 411,215,500.00 | ---------------- | 411,215,500.00 |
| Treasury bonds, investment series........................ | 2.732 | 12,774,912,000.00 | +83,000.00 | 12,774,995,000.00 |
| Total nonmarketable obligations | 2.751 | 76,054,953,865.18 | +271,542,058.66 | 76,326,495,923.84 |
| Total public issues............ | 2.281 | 226,409,533,695.18 | +271,460,558.66 | 226,680,994,253.84 |
| Special issues: | | | | |
| Adjusted service certificate fund | 4.000 | 4,643,000.00 | ................ | 4,643,000.00 |
| Canal Zone, Postal Savings System | 2.000 | 1,050,000.00 | ................ | 1,050,000.00 |
| Civil service retirement fund.... | 3.998 | 5,838,946,000.00 | ................ | 5,838,946,000.00 |
| Farm tenant mortgage insurance fund.......................... | 2.000 | 1,250,000.00 | ................ | 1,250,000.00 |
| Federal Deposit Insurance Corporation.................... | 2.000 | 891,600,000.00 | ................ | 891,600,000.00 |
| Federal home loan banks.......... | 1.537 | 231,600,000.00 | ................ | 231,600,000.00 |
| Federal Housing Administration funds......................... | 2.000 | 14,850,000.00 | ................ | 14,850,000.00 |
| Federal old-age and survivors insurance trust fund........... | 2.250 | 17,054,405,000.00 | ................ | 17,054,405,000.00 |
| Federal Savings and Loan Insurance Corporation............ | 2.000 | 84,440,000.00 | ................ | 84,440,000.00 |
| Foreign service retirement fund.. | 3.959 | 15,229,400.00 | ................ | 15,229,400.00 |
| Government life insurance fund... | 3.500 | 1,234,000,000.00 | ................ | 1,234,000,000.00 |
| National service life insurance fund.......................... | 3.000 | 5,272,479,000.00 | ................ | 5,272,479,000.00 |
| Postal Savings System............ | 2.000 | 212,000,000.00 | ................ | 212,000,000.00 |
| Railroad retirement account...... | 3.000 | 3,345,255,000.00 | ................ | 3,345,255,000.00 |
| Unemployment trust fund.......... | 2.250 | 8,024,000,000.00 | ................ | 8,024,000,000.00 |
| Veterans special term insurance fund.......................... | 2.000 | 3,025,000.00 | ................ | 3,025,000.00 |
| Total special issues........... | 2.671 | 42,228,772,400.00 | ................ | 42,228,772,400.00 |
| Total interest-bearing debt..... | 2.342 | 268,638,306,095.18 | +271,460,558.66 | 268,909,766,653.84 |
| Matured debt on which interest has ceased.......................... | ......... | 671,141,845.26 | -233,957,190.00 | 437,184,655.26 |
| Debt bearing no interest: | | | | |
| International Monetary Fund....... | ......... | 1,411,000,000.00 | ................ | 1,411,000,000.00 |
| Other............................ | ......... | 501,632,557.77 | +15,241.59 | 501,647,799.36 |
| Total gross public debt.......... | ......... | 271,222,080,498.21 | 37,518,610.25 | 271,259,599,108.46 |
| GUARANTEED OBLIGATIONS NOT OWNED BY THE TREASURY | | | | |
| Interest-bearing debt: | | | | |
| Federal Housing Administration.... | 2.547 | 80,415,386.23 | ................ | 80,415,386.23 |
| Matured debt on which interest has ceased.......................... | ......... | 1,025,900.00 | +100.00 | 1,026,000.00 |
| Total guaranteed obligations not owned by the Treasury.......... | ......... | 81,441,286.23 | +100.00 | [4] 81,441,386.23 |
| Total gross public debt and guaranteed obligations.......... | ......... | 271,303,521,784.44 | +37,518,710.25 | 271,341,040,494.69 |

[1] Based on daily Treasury statement.
[2] Adjustment is occasioned by items in transit on June 30, 1954, not shown in daily Treasury statement.
[3] Computed on true discount basis.
[4] For details see table 24.

TABLE 19.--Public debt by security classes, June 30, 1944-1954

[In millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

| Class | June 30, 1944 | June 30, 1945 | June 30, 1946 | June 30, 1947 | June 30, 1948 | June 30, 1949 | June 30, 1950 | June 30, 1951 | June 30, 1952 | June 30, 1953 | June 30, 1954 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Interest-bearing: | | | | | | | | | | | |
| Public issues: | | | | | | | | | | | |
| Marketable issues: | | | | | | | | | | | |
| Treasury bills | 14,734 | 17,041 | 17,039 | 15,775 | 13,757 | 11,536 | 13,533 | 13,614 | 17,219 | 19,707 | 19,515 |
| Certificates of indebtedness | 28,822 | 34,136 | 34,804 | 25,296 | 22,588 | 29,427 | 18,418 | 9,509 | 28,423 | 15,854 | 18,405 |
| Treasury notes | 17,405 | 23,497 | 18,261 | 8,142 | 11,375 | 3,596 | 20,404 | 35,806 | 18,963 | 30,425 | 31,960 |
| Treasury bonds: | | | | | | | | | | | |
| Bank eligible | 58,083 | 69,693 | 65,864 | 69,686 | 62,826 | 60,789 | 53,159 | 42,772 | 48,200 | 63,980 | 71,706 |
| Bank restricted[1] | 21,161 | 36,756 | 53,459 | 49,636 | 49,636 | 49,636 | 49,636 | 36,061 | 27,460 | 17,245 | 8,672 |
| Panama Canal loan bonds | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Conversion bonds of 1946-47 | 29 | 29 | 13 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Postal savings bonds | 117 | 117 | 117 | 116 | 114 | 112 | 110 | 106 | 92 | 74 | 46 |
| Total marketable issues | 140,401 | 181,319 | 189,606 | 168,702 | 160,346 | 155,147 | 155,310 | 137,917 | 140,407 | 147,335 | 150,354 |
| Nonmarketable issues: | | | | | | | | | | | |
| Treasury notes--tax series and savings series | 9,557 | 10,136 | 6,711 | 5,560 | 4,394 | 4,860 | 8,472 | 7,818 | 6,612 | 4,453 | 5,079 |
| United States savings bonds | 34,606 | 45,586 | 49,035 | 51,367 | 53,274 | 56,260 | 57,536 | 57,572 | 57,685 | 57,886 | 58,061 |
| Depositary bonds | 474 | 505 | 427 | 325 | 316 | 369 | 285 | 319 | 373 | 447 | 411 |
| Armed forces leave bonds | ........ | ........ | ........ | 1,793 | 563 | 396 | 297 | 47 | ........ | ........ | ........ |
| Treasury bonds--investment series | ........ | ........ | ........ | ........ | 959 | 954 | 954 | 14,526 | 14,046 | 13,288 | 12,775 |
| Adjusted service bonds of 1945 | 217 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total nonmarketable issues | 44,855 | 56,226 | 56,173 | 59,045 | 59,506 | 62,839 | 67,544 | 80,281 | 78,717 | 76,073 | 76,326 |
| Total public issues | 185,256 | 237,545 | 245,779 | 227,747 | 219,852 | 217,986 | 222,853 | 218,198 | 219,124 | 223,408 | 226,681 |
| Special issues: | | | | | | | | | | | |
| Adjusted service certificate funds (certificates) | 17 | 14 | 12 | 12 | 6 | 6 | 5 | 5 | 5 | 5 | 5 |
| Alaska Railroad retirement fund (notes) | 2 | 2 | 2 | 3 | 3 | 3 | ([2]) | ([2]) | ([2]) | ([2]) | ([2]) |
| Canal Zone Postal Savings System (notes) | 4 | 4 | 4 | 4 | 3 | 3 | 2 | 1 | 1 | 1 | 1 |
| Canal Zone retirement fund (notes) | 9 | 10 | 11 | 12 | 13 | 14 | ([2]) | ([2]) | ([2]) | ([2]) | ([2]) |
| Civil service retirement fund (certificates) | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 846 | 2,268 |
| Civil service retirement fund (notes)[3] | 1,451 | 1,848 | 2,155 | 2,435 | 2,795 | 3,238 | 3,801 | 4,374 | 4,998 | 4,739 | 3,571 |
| Farm tenant mortgage insurance fund (notes) | ........ | ........ | ........ | ........ | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Federal Deposit Insurance Corporation (notes) | 98 | 97 | 120 | 408 | 549 | 666 | 808 | 868 | 888 | 846 | 892 |
| Federal home loan bank (notes) | ........ | ........ | ........ | ........ | 37 | 117 | 119 | 77 | 50 | 50 | 232 |
| Federal old-age and survivors insurance trust fund (certificates) | 380 | 1,648 | 3,401 | 5,995 | 7,709 | 9,003 | 10,418 | 12,096 | 14,047 | 15,532 | 17,054 |
| Federal old-age and survivors insurance trust fund (notes) | 4,386 | 3,660 | 2,509 | 1,109 | ........ | ........ | ........ | ........ | ........ | ........ | ........ |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Federal Savings and Loan Insurance Corporation (notes) | 27 | 37 | 49 | 62 | 74 | 95 | 79 | 86 | 79 | 61 | 84 |
| Foreign service retirement fund (notes) | 7 | 8 | 9 | 10 | 12 | 14 | 17 | 17 | 17 | 13 | 6 |
| Foreign service retirement fund (certificates) | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | 3 | 9 |
| Government life insurance fund (adjusted service bonds) | 500 | 500 | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... |
| Government life insurance fund (certificates) | ....... | 86 | 682 | 1,254 | 1,286 | 1,318 | 1,292 | 1,300 | 1,300 | 1,299 | 1,234 |
| Government life insurance fund (notes) | 2 | 2 | 2 | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... |
| Federal Housing Administration: | | | | | | | | | | | |
| Housing insurance fund (notes) | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | (*) | 2 | (*) |
| Housing investment insurance fund (notes) | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | (*) | ....... |
| Military housing insurance fund (notes) | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | 2 | ....... |
| Mutual mortgage insurance fund (notes) | ....... | ....... | ....... | 14 | 4 | ....... | ....... | ....... | ....... | 16 | 10 |
| National defense housing insurance fund (notes) | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | 2 | 5 |
| War housing insurance fund (notes) | ....... | ....... | ....... | 3 | ....... | ....... | ....... | 7 | 2 | 4 | ....... |
| National service life insurance fund (notes) | 1,213 | 3,187 | 5,240 | 6,474 | 6,935 | 7,288 | 5,342 | 5,436 | 5,191 | 5,249 | 5,272 |
| Postal Savings System (notes) | 264 | 461 | 779 | 1,624 | 1,909 | 1,949 | 1,799 | 706 | 551 | 451 | 212 |
| Railroad retirement account (notes) | 319 | 501 | 657 | 806 | 1,374 | 1,720 | 2,058 | 2,414 | 2,863 | 3,128 | 3,345 |
| Unemployment trust fund (certificates) | 5,610 | 6,747 | 6,699 | 7,142 | 7,500 | 7,340 | 6,616 | 7,266 | 7,745 | 8,287 | 8,024 |
| Veterans special term insurance fund (certificates) | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | ....... | (*) | 3 |
| Total special issues | 14,287 | 18,812 | 22,332 | 27,366 | 30,211 | 32,776 | 32,356 | 34,653 | 37,739 | 40,538 | 42,229 |
| Total interest-bearing debt | 199,543 | 256,357 | 268,111 | 255,113 | 250,063 | 250,762 | 255,209 | 252,852 | 256,863 | 263,946 | 268,910 |
| Matured debt on which interest has ceased | 201 | 269 | 376 | 231 | 280 | 245 | 265 | 512 | 419 | 298 | 437 |
| Debt bearing no interest: | | | | | | | | | | | |
| Special notes of the United States: | | | | | | | | | | | |
| International Bank for Reconstruction and Development series | ....... | ....... | ....... | 416 | 66 | 41 | ....... | ....... | ....... | ....... | ....... |
| International Monetary Fund series | ....... | ....... | ....... | 1,724 | 1,161 | 1,063 | 1,270 | 1,283 | 1,274 | 1,302 | 1,411 |
| United States savings stamps[4] | 197 | 178 | 96 | 70 | 58 | 52 | 49 | 48 | 50 | 50 | 50 |
| Excess profits tax refund bonds | 134 | 1,028 | 58 | 19 | 9 | 5 | 3 | 2 | 2 | 1 | 1 |
| United States notes (less gold reserve) | 191 | 191 | 191 | 191 | 191 | 191 | 191 | 191 | 191 | 191 | 191 |
| Deposits for retirement of national bank and Federal Reserve Bank notes | 732 | 655 | 584 | 517 | 459 | 407 | 365 | 328 | 301 | 277 | 254 |
| Other debt bearing no interest | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Total debt bearing no interest | 1,259 | 2,057 | 935 | 2,942 | 1,949 | 1,764 | 1,883 | 1,858 | 1,824 | 1,827 | 1,913 |
| Total gross debt[5] | 201,003 | 258,682 | 269,422 | 258,286 | 252,292 | 252,770 | 257,357 | 255,222 | 259,105 | 266,071 | 271,260 |

NOTE.—For information on composition of public debt beginning June 30, 1916, see 1947 annual report, p. 361.

*Less than $500,000.

[1] For explanation, see table 49, footnote 5.

[2] See footnote 3.

[3] Includes special issues transferred from the Canal Zone retirement fund and the Alaska Railroad retirement fund pursuant to the act of July 21, 1949 (5 Stat. 740).

[4] Postal savings stamps, obligations of the Postal Savings System, were sold from May 1, 1941, to Oct. 1, 1942, when they were replaced by United States war savings stamps. All outstanding stamps then became public debt obligations.

[5] Includes certain obligations not subject to statutory limitation. For amounts subject to limitation, see table 1.

TABLE 20.--Guaranteed obligations held outside the Treasury,[1] classified by issuing Government corporations and other business-type activities, June 30, 1944-54

[Face amount, in thousands of dollars]

| Agency | June 30, 1944 | June 30, 1945 | June 30, 1946 | June 30, 1947 | June 30, 1948 | June 30, 1949 | June 30, 1950 | June 30, 1951 | June 30, 1952 | June 30, 1953 | June 30, 1954 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| UNMATURED OBLIGATIONS | | | | | | | | | | | |
| Commodity Credit Corporation (notes, etc.) | 561,202 | 375,161 | 424,147 | 45,002 | 41,703 | 10,909 | 1,432 | 14 | 558 | ........ | ........ |
| Federal Housing Administration: | | | | | | | | | | | |
| Mutual mortgage insurance fund (debentures) | 8,518 | 8,347 | 8,370 | 7,497 | 7,445 | 7,480 | 7,673 | 8,433 | 9,180 | 8,127 | 8,501 |
| Housing insurance fund (debentures) | 13,043 | 9,538 | 7,038 | 5,938 | 5,938 | 3,938 | 3,440 | 1,390 | ........ | 1,632 | 1,742 |
| Title I housing insurance fund (debentures) | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 23 | 31 |
| War housing insurance fund (debentures) | 1,972 | 16,045 | 27,117 | 24,775 | 13,682 | 1,536 | 4,532 | 17,528 | 34,355 | 41,100 | 70,141 |
| Home Owners' Loan Corporation (bonds) | 754,904 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Reconstruction Finance Corporation (notes) | 176,000 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total unmatured obligations | 1,515,639 | 409,092 | 466,672 | 83,212 | 68,768 | 23,862 | 17,078 | 27,364 | 44,093 | 50,882 | 80,415 |
| MATURED OBLIGATIONS | | | | | | | | | | | |
| Commodity Credit Corporation | 7 | 82 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Federal Farm Mortgage Corporation | 42,913 | 7,830 | 3,714 | 2,425 | 1,738 | 1,188 | 841 | 636 | 521 | 434 | 383 |
| Federal Housing Administration: | | | | | | | | | | | |
| Mutual mortgage insurance fund | 17 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Public Housing Administration | 66 | 8 | 2 | 2 | 2 | 1 | ........ | ........ | ........ | ........ | ........ |
| Home Owners' Loan Corporation | 64,251 | 16,128 | 5,988 | 3,878 | 2,953 | 2,224 | 1,584 | 1,227 | 952 | 757 | 643 |
| Reconstruction Finance Corporation | 176 | 19 | 8 | 3 | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total matured obligations | 107,431 | 24,067 | 9,713 | 6,308 | 4,693 | 3,413 | 2,425 | 1,863 | 1,473 | 1,191 | 1,026 |
| Total, based on guarantees | 1,623,069 | 433,158 | 476,385 | 89,520 | 73,461 | 27,275 | 19,503 | 29,227 | 45,565 | 52,073 | 81,441 |

NOTE.--Figures on basis of daily Treasury statements. For reconciliation to basis of Public Debt accounts for 1954, see table 18.

[1] For obligations held by Treasury and reflected in the public debt, see table 73.

## TABLE 21.--Certain contingent liabilities, June 30, 1944-54[1]

[Face amount, in thousands of dollars. On basis of reports received by the Treasury]

| | June 30, 1944 | June 30, 1945 | June 30, 1946 | June 30, 1947 | June 30, 1948 | June 30, 1949 | June 30, 1950 | June 30, 1951 | June 30, 1952 | June 30, 1953 | June 30, 1954 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ON CREDIT OF THE UNITED STATES | | | | | | | | | | | |
| U. S. Postal Savings System (funds due depositors) | 2,034,137 | 2,659,575 | 3,119,656 | 3,392,773 | 3,379,130 | 3,277,402 | 3,097,316 | 2,788,199 | 2,617,564 | 2,457,548 | 2,251,419 |
| Canal Zone Postal Savings System (funds due depositors) | 8,595 | 9,468 | 9,612 | 9,602 | 9,129 | 8,943 | 8,643 | 7,044 | 7,005 | 6,848 | 6,506 |
| Tennessee Valley Authority[2] (bonds) | 6,300 | 4,300 | 2,000 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Total, based on credit of the United States | 2,049,032 | 2,673,343 | 3,131,268 | 3,402,375 | 3,388,259 | 3,286,346 | 3,105,959 | 2,795,244 | 2,624,569 | 2,464,396 | 2,257,926 |
| OTHER OBLIGATIONS | | | | | | | | | | | |
| Federal Reserve notes | 18,488,780 | 22,319,557 | 23,434,613 | 23,444,193 | 23,136,167 | 22,783,823 | 22,398,284 | 22,975,292 | 24,135,367 | 25,040,465 | 24,726,731 |

[1] Does not include contingent liability on guaranteed and insured loans to veterans which, as of June 30, 1954, amounted to $9,618,000,000; also does not include contingent liability on war production and contract termination guaranteed loans of the Department of the Army which, as of June 30, 1954, amounted to $563,942.58; and contingent liability on loans guaranteed by various agencies through the Federal Reserve Banks pursuant to the Defense Production Act of 1950, which as of June 30, 1954, amounted to $534,695,456.85.

[2] Bonds held by the Reconstruction Finance Corporation.

## TABLE 22.--Maturity[1] distribution of marketable, interest-bearing public debt and guaranteed obligations, June 30, 1944-54

[In millions of dollars]

| | June 30, 1944 | June 30, 1945 | June 30, 1946 | June 30, 1947 | June 30, 1948 | June 30, 1949 | June 30, 1950 | June 30, 1951 | June 30, 1952 | June 30, 1953 | June 30, 1954 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Within 1 year | 51,246 | 60,646 | 62,091 | 52,442 | 49,870 | 52,302 | 42,448 | 60,860 | 70,944 | 76,017 | [2] 63,291 |
| 1 to 5 years | 25,061 | 34,801 | 35,057 | 42,522 | 46,124 | 39,175 | 51,802 | 31,022 | 29,434 | 30,162 | 38,407 |
| 5 to 10 years | 33,889 | 41,516 | 32,847 | 18,932 | 10,464 | 15,067 | 15,926 | 16,012 | 13,321 | 13,018 | [3] 27,113 |
| 10 to 15 years | 9,783 | 11,679 | 16,012 | 13,326 | 12,407 | 13,715 | 19,281 | 21,226 | 20,114 | 26,546 | 19,937 |
| 15 to 20 years | 10,246 | 19,281 | 21,227 | 27,076 | 41,481 | 34,888 | 25,853 | 8,797 | 6,594 | .......... | .......... |
| Over 20 years | 11,343 | 13,396 | 22,372 | 14,405 | .......... | .......... | .......... | .......... | .......... | 1,592 | 1,606 |
| Various (Federal Housing Administration debentures) | 24 | 34 | 43 | 38 | 27 | 13 | 16 | 27 | 44 | 51 | 80 |
| Total | 141,591 | 181,353 | 189,649 | 168,740 | 160,373 | 155,160 | 155,325 | 137,944 | 140,451 | 147,386 | 150,435 |

[1] Due or first becoming callable.

[2] Includes $46,462,880 postal savings bonds.

[3] Includes $49,800,000 Panama Canal bonds.

TABLE 23.--Description of public debt issues outstanding June 30, 1954

[On basis of Public Debt accounts,[1] see "Bases of Tables"]

| Title of loan and rate of interest | Authorizing act | Tax status | Date of loan | When redeemable or payable[2] | Interest payment date | Average price received (per $100) | Amount issued | Amount retired | Amount outstanding |
|---|---|---|---|---|---|---|---|---|---|
| INTEREST-BEARING DEBT | | | | | | | | | |
| Public issues | | | | | | | | | |
| Marketable: | | | | | | | | | |
| Treasury bills (maturity value): | | | | | | | | | |
| Series maturing and approximate yield to maturity (%):[3] | | | | | | | | | |
| July 1, 1954--1.063. | (a) | (e) | Apr. 1, 1954. | July 1, 1954. | Sold at a discount: payable at par on maturity | 99.731 Cash....... | $1,316,349,000.00 | ................ | $1,500,672,000.00 |
| | | | | | | Exchange... | 184,323,000.00 | ................ | |
| July 8, 1954--1.013. | (a) | (e) | Apr. 8, 1954. | July 8, 1954. | | 99.744 Cash....... | 1,359,692,000.00 | ................ | 1,499,953,000.00 |
| | | | | | | Exchange... | 140,261,000.00 | ................ | |
| July 15, 1954--1.066 | (a) | (e) | Apr. 15, 1954 | July 15, 1954 | | 99.731 Cash....... | 1,354,998,000.00 | ................ | 1,501,274,000.00 |
| | | | | | | Exchange... | 146,276,000.00 | ................ | |
| July 22, 1954--1.027 | (a) | (e) | Apr. 22, 1954 | July 22, 1954 | | 99.740 Cash....... | 1,348,976,000.00 | ................ | 1,501,452,000.00 |
| | | | | | | Exchange... | 152,476,000.00 | ................ | |
| July 29, 1954--0.886 | (a) | (e) | Apr. 29, 1954 | July 29, 1954 | | 99.776 Cash....... | 1,292,026,000.00 | ................ | 1,502,532,000.00 |
| | | | | | | Exchange... | 210,506,000.00 | ................ | |
| Aug. 5, 1954--0.773. | (a) | (e) | May 6, 1954.. | Aug. 5, 1954. | | 99.805 Cash....... | 1,323,374,000.00 | ................ | 1,502,208,000.00 |
| | | | | | | Exchange... | 178,834,000.00 | ................ | |
| Aug. 12, 1954--0.824 | (a) | (e) | May 13, 1954. | Aug. 12, 1954 | | 99.792 Cash....... | 1,274,134,000.00 | ................ | 1,500,849,000.00 |
| | | | | | | Exchange... | 226,715,000.00 | ................ | |
| Aug. 19, 1954--0.812 | (a) | (e) | May 20, 1954. | Aug. 19, 1954 | | 99.795 Cash....... | 1,334,770,000.00 | ................ | 1,501,427,000.00 |
| | | | | | | Exchange... | 166,657,000.00 | ................ | |
| Aug. 26, 1954--0.718 | (a) | (e) | May 27, 1954. | Aug. 26, 1954 | | 99.818 Cash....... | 1,252,537,000.00 | ................ | 1,502,782,000.00 |
| | | | | | | Exchange... | 250,245,000.00 | ................ | |
| Sept. 2, 1954--0.713 | (a) | (e) | June 3, 1954. | Sept. 2, 1954 | | 99.820 Cash....... | 1,224,659,000.00 | ................ | 1,500,502,000.00 |
| | | | | | | Exchange... | 275,843,000.00 | ................ | |
| Sept. 9, 1954--0.617 | (a) | (e) | June 10, 1954 | Sept. 9, 1954 | | 99.844 Cash....... | 1,406,474,000.00 | ................ | 1,500,190,000.00 |
| | | | | | | Exchange... | 93,716,000.00 | ................ | |
| Sept. 16, 1954--0.633 | (a) | (e) | June 17, 1954 | Sept. 16,1954 | | 99.840 Cash....... | 1,320,331,000.00 | ................ | 1,500,603,000.00 |
| | | | | | | Exchange... | 180,272,000.00 | ................ | |
| Sept. 23, 1954--0.634 | (a) | (e) | June 24, 1954 | Sept. 23,1954 | | 99.840 Cash....... | 1,462,513,000.00 | ................ | 1,500,973,000.00 |
| | | | | | | Exchange... | 38,460,000.00 | ................ | |
| Total Treasury bills............ | ..... | ...... | ............ | ............ | ................ | .................. | 19,515,417,000.00 | ................ | 19,515,417,000.00 |
| Certificates of indebtedness: | | | | | | | | | |
| 2 5/8% Series D-1954.. | (a) | (f) | Aug. 15, 1953 | Aug. 15, 1954 | Aug. 15, 1954 | Exchange at par | 2,788,226,000.00 | ................ | 2,788,226,000.00 |
| 2 5/8% Series E-1954.. | (a) | (f) | Sept. 15,1953 | Sept. 15,1954 | Sept. 15, 1954 | ....do......... | 4,724,009,000.00 | ................ | 4,724,009,000.00 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 1 5/8% Series A-1955.. | (a) | (f) | Feb. 15, 1954 | Feb. 15, 1955 | Feb. 15, 1955 | Exchange at par | 7,006,787,000.00 | ................ | 7,006,787,000.00 |
| 1 1/8% Series B-1955.. | (a) | (f) | May 17, 1954 | May 17, 1955 | May 17, 1955 | ....do......... | 3,885,977,000.00 | ................ | 3,885,977,000.00 |
| Total certificates of indebtedness........ | ...... | ..... | ............ | ............ | ............... | ............... | 18,404,999,000.00 | ................ | 18,404,999,000.00 |
| Treasury notes: | | | | | | | | | |
| 1 7/8% Series B-1954.. | (a) | (f) | Dec. 1, 1953 | Dec. 15, 1954 | June 15, Dec. 15 | Exchange at par | 8,175,143,000.00 | ................ | 8,175,143,000.00 |
| 1 1/2% Series A-1955.. | (a) | (f) | Mar. 15, 1950 | Mar. 15, 1955 | Mar. 15, Sept. 15 | ....do......... | 5,365,079,000.00 | $1,000.00 | 5,365,078,000.00 |
| 1 3/4% Series B-1955.. | (a) | (f) | Dec. 15, 1950 | Dec. 15, 1955 | June 15, Dec. 15 | ....do......... | 6,853,793,000.00 | 1,000.00 | 6,853,792,000.00 |
| 2 7/8% Series A-1957.. | (a) | (f) | Sept. 15,1953 | Mar. 15, 1957 | Mar. 15, Sept. 15 | ....do......... | 2,996,574,000.00 | ................ | 2,996,574,000.00 |
| 1 7/8% Series A-1959.. | (a) | (f) | May 17, 1954 | Feb. 15, 1959 | Feb. 15, Aug. 15 | Exchange at par | 2,897,206,000.00 | ................ | ................ |
| | | | | | | Par | 2,205,071,000.00 | ................ | ................ |
| | | | | | | | 5,102,277,000.00 | ................ | 5,102,277,000.00 |
| 1 1/2% Series EA-1956. | (a) | (f) | Apr. 1, 1951 | Apr. 1, 1956 | Apr. 1, Oct. 1 | Exchange at par | [4] 1,007,043,000.00 | ................ | 1,007,043,000.00 |
| 1 1/2% Series EO-1956. | (a) | (f) | Oct. 1, 1951 | Oct. 1, 1956 | ....do......... | ....do......... | [4] 550,008,000.00 | ................ | 550,008,000.00 |
| 1 1/2% Series EA-1957. | (a) | (f) | Apr. 1, 1952 | Apr. 1, 1957 | ....do......... | ....do......... | [4] 531,296,000.00 | ................ | 531,296,000.00 |
| 1 1/2% Series EO-1957. | (a) | (f) | Oct. 1, 1952 | Oct. 1, 1957 | ....do......... | ....do......... | [4] 824,196,000.00 | ................ | 824,196,000.00 |
| 1 1/2% Series EA-1958. | (a) | (f) | Apr. 1, 1953 | Apr. 1, 1958 | ....do......... | ....do......... | 382,796,000.00 | ................ | 382,796,000.00 |
| 1 1/2% Series EO-1958. | (a) | (f) | Oct. 1, 1953 | Oct. 1, 1958 | ....do......... | ....do......... | 121,269,000.00 | ................ | 121,269,000.00 |
| 1 1/2% Series EA-1959. | (a) | (f) | Apr. 1, 1954 | Apr. 1, 1959 | ....do......... | ....do......... | 50,479,000.00 | ................ | 50,479,000.00 |
| Total Treasury notes. | ..... | ..... | ........... | ........... | ............... | ............... | 31,959,953,000.00 | 2,000.00 | 31,959,951,000.00 |
| Treasury bonds: | | | | | | | | | |
| 2% of 1951-55......... | (a) | (f) | Dec. 15, 1941 | On and after Dec. 15, 1954; on Dec. 15, 1955[5] | June and Dec.15 | Par | 532,687,950.00 | 22,276,500.00 | $510,411,450.00 |
| 2% of 1952-54 (dated Dec. 1, 1944)........ | (a) | (f) | Dec. 1, 1944 | On and after Dec. 15, 1954; on Dec. 15 1954[5] | ....do......... | | 7,922,077,000.00 | ................ | ................ |
| | | | | | | Par ............ | 739,900,500.00 | ................ | ................ |
| | | | | | | Exchange at par | 8,661,977,500.00 | 35,000.00 | 8,661,942,500.00 |
| 2 7/8% of 1955-60..... | (a) | (g) | Mar. 15, 1935 | On and after Mar. 15, 1955; on Mar. 15, 1960. | Mar. and Sept.15 | Exchange at par and $100.50 | 2,304,429,200.00 | ................ | ................ |
| | | | | | | $101.59375 | 101,971,000.00 | ................ | ................ |
| | | | | | | $101.56250 | 106,541,000.00 | ................ | ................ |
| | | | | | | $100.78125 | 98,215,000.00 | ................ | ................ |
| | | | | | | | 2,611,156,200.00 | 65,700.00 | 2,611,090,500.00 |
| 2 1/2% of 1956-58..... | (a) | (f) | June 2, 1941 | On and after Mar. 15, 1956; on Mar. 15, 1958. | ....do......... | Par | 661,750,800.00 | ................ | ................ |
| | | | | | | Exchange at par | 786,996,850.00 | ................ | ................ |
| | | | | | | | 1,448,747,650.00 | 2,150.00 | 1,448,745,500.00 |

Footnotes at end of table.

TABLE 23.--Description of public debt issues outstanding June 30, 1954--Continued

| Title of loan and rate of interest | Authorizing act | Tax status | Date of loan | When redeemable or payable[2] | Interest payment date | Average price received (per $100) | Amount issued | Amount retired | Amount outstanding |
|---|---|---|---|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued Public issues--Continued | | | | | | | | | |
| Marketable--Continued | | | | | | | | | |
| Treasury bonds--Continued | | | | | | | | | |
| 2 3/4% of 1956-59..... | (a) | (g) | Sept. 15, 1936 | On and after Sept. 15, 1956; on Sept. 15, 1959. | Mar. and Sept. 15 | Par................ | $469,977,250.00 | ................ | ................ |
| | | | | | | Exchange at par..... | 511,870,800.00 | ................ | ................ |
| | | | | | | | 981,848,050.00 | $22,000.00 | $981,826,050.00 |
| 2 1/4% of 1956-59..... | (a) | (f) | Feb. 1, 1944 | On and after Sept. 15, 1956; on Sept. 15, 1959[6] | ....do....... | Par................ | 3,727,687,000.00 | ................ | ................ |
| | | | | | | Exchange at par..... | 94,871,500.00 | ................ | ................ |
| | | | | | | | 3,822,558,500.00 | 959,000.00 | 3,821,599,500.00 |
| 2 3/8% of 1957-59..... | (a) | (f) | Mar. 1, 1952 | On and after Mar. 15, 1957; on Mar. 15, 1959 | ....do....... | Exchange at par..... | 926,812,000.00 | 1,000.00 | 926,811,000.00 |
| 2 3/8% of 1958........ | (a) | (f) | July 1, 1952 | On June 15, 1958. | June and Dec. 15 | Par................ | 4,244,812,500.00 | ................ | 4,244,812,500.00 |
| 2 3/4% of 1958-63..... | (a) | (g) | June 15, 1938 | On and after June 15, 1958; on June 15, 1963 | ....do....... | Exchange at par..... | 918,780,600.00 | ................ | 918,780,600.00 |
| 2 1/2% of 1958........ | (a) | (f) | Feb. 15, 1953 | On Dec. 15, 1958. | ....do....... | Exchange at par..... | 2,368,366,000.00 | ................ | 2,368,366,000.00 |
| 2 1/4% of 1959-62 (dated June 1, 1945). | (a) | (f) | June 1, 1945 | On and after June 15, 1959; on June 15, 1962[6] | ....do....... | Par................ | 5,284,068,500.00 | 7,390,500.00 | 5,276,678,000.00 |
| 2 1/4% of 1959-62 (dated Nov. 15, 1945) | (a) | (f) | Nov. 15, 1945 | On and after Dec. 15, 1959; on Dec. 15, 1962[6] | ....do....... | Par................ | 3,469,671,000.00 | 4,240,000.00 | 3,465,431,000.00 |
| 2 3/4% of 1960-65..... | (a) | (g) | Dec. 15, 1938 | On and after Dec. 15, 1960; on Dec. 15, 1965. | ....do....... | Par................ | 402,892,800.00 | ................ | ................ |
| | | | | | | Exchange at par..... | 188,196,700.00 | ................ | ................ |
| | | | | | | Exchange at $102.375 | 894,295,600.00 | ................ | ................ |
| | | | | | | | 1,485,385,100.00 | 2,000.00 | 1,485,383,100.00 |
| 2 3/4% of 1961........ | (a) | (f) | Nov. 9, 1953 | On Sept. 15, 1961. | Sept. and Mar. 15 | Par................ | 2,239,262,000.00 | ................ | 2,239,262,000.00 |
| 2 1/2% of 1961........ | (a) | (f) | Feb. 15, 1954 | On Nov. 15, 1961. | Nov. and May 15 | Exchange at par..... | 11,177,153,500.00 | ................ | 11,177,153,500.00 |
| 2 1/2% of 1962-67..... | (a) | (f) | May 5, 1942 | On and after June 15, 1962; on June 15, 1967[6] | June and Dec.15 | Par................ | 2,118,164,500.00 | 2,131,100.00 | 2,116,033,400.00 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 2 1/2% of 1963-68..... | (a) | (f) | Dec. 1, 1942 | On and after Dec. 15, 1963; on Dec. 15, 1968[6] | ....do........ | Par................ | 2,830,914,000.00 | 4,879,500.00 | 2,826,034,500.00 |
| 2 1/2% of 1964-69 (dated Apr. 15, 1943) | (a) | (f) | Apr. 15, 1943 | On and after June 15, 1964; on June 15, 1969[6] | ....do........ | Par................ | 3,761,904,000.00 | 7,863,000.00 | 3,754,041,000.00 |
| 2 1/2% of 1964-69 (dated Sept. 15, 1943) | (a) | (f) | Sept. 15, 1943 | On and after Dec. 15, 1964; on Dec. 15, 1969[6] | ....do........ | Par................ | 3,778,754,000.00 | ................ | ................ |
| | | | | | | Exchange at par.... | 59,444,000.00 | ................ | ................ |
| | | | | | | | 3,838,198,000.00 | 7,631,500.00 | 3,830,566,500.00 |
| 2 1/2% of 1965-70..... | (a) | (f) | Feb. 1, 1944 | On and after Mar. 15, 1965; on Mar. 15, 1970[6] | Mar. and Sept. 15 | Par................ | 5,120,861,500.00 | ................ | ................ |
| | | | | | | Exchange at par.... | 76,533,000.00 | ................ | ................ |
| | | | | | | | 5,197,394,500.00 | 478,639,000.00 | 4,718,755,500.00 |
| 2 1/2% of 1966-71..... | (a) | (f) | Dec. 1, 1944 | On and after Mar. 15, 1966; on Mar. 15, 1971[6] | ....do........ | Par................ | 3,447,511,500.00 | ................ | ................ |
| | | | | | | Exchange at par.... | 33,353,500.00 | ................ | ................ |
| | | | | | | | 3,480,865,000.00 | 519,696,500.00 | 2,961,168,500.00 |
| 2 1/2% of 1967-72 (dated June 1, 1945). | (a) | (f) | June 1, 1945 | On and after June 15, 1967; on June 15, 1972[6] | June and Dec. 15 | Par................ | 7,967,261,000.00 | 6,078,897,500.00 | 1,888,363,500.00 |
| 2 1/2% of 1967-72 (dated Oct. 20, 1941) | (a) | (f) | Oct. 20, 1941 | On and after Sept. 15, 1967; on Sept. 15, 1972. | Mar. and Sept. 15 | Par................ | 2,527,073,950.00 | ................ | ................ |
| | | | | | | Exchange at par.... | 188,971,200.00 | ................ | ................ |
| | | | | | | | 2,716,045,150.00 | 25,800.00 | 2,716,019,350.00 |
| 2 1/2% of 1967-72 (dated Nov. 15, 1945) | (a) | (f) | Nov. 15, 1945 | On and after Dec. 15, 1967; on Dec. 15, 1972[6] | June and Dec. 15 | Par................ | 11,688,868,500.00 | 7,866,277,000.00 | 3,822,591,500.00 |
| 3 1/4% of 1978-83..... | (a) | (f) | May 1, 1953 | On and after June 15, 1978; on June 15, 1983[6] | ....do........ | Par................ | 1,188,769,175.00 | ................ | ................ |
| | | | | | | Exchange at par.... | 417,314,825.00 | ................ | ................ |
| | | | | | | | 1,606,084,000.00 | 1,000.00 | 1,606,083,000.00 |
| Total Treasury bonds. | ...... | ..... | ............ | ............ | ................ | .................. | 95,378,985,700.00 | 15,001,035,750.00 | 80,377,949,950.00 |
| Other bonds: | | | | | | | | | |
| 3% Panama Canal loan of 1961. | (b) | (h) | June 1, 1911 | On June 1, 1961 | Mar., June, Sept. and Dec. 1 | $102.582.......... | 50,000,000.00 | 200,000.00 | 49,800,000.00 |
| 2 1/2% Postal savings bonds (47th to 49th Series). | (c) | (h) | July 1, 1934, and Jan. 1, July 1, 1935 | 1 year from date of issue; 20 years from date of issue. | Jan. and July 1 | Par................ | 46,462,880.00 | ................ | 46,462,880.00 |
| Total other bonds... | ...... | ..... | .............. | ............ | ................ | .................. | 96,462,880.00 | 200,000.00 | 96,262,880.00 |
| Total marketable obligations........ | ...... | ..... | .............. | .......... | ................ | .................. | 165,355,817,580.00 | 15,001,237,750.00 | 150,354,579,830.00 |

Footnotes at end of table.

TABLE 23.--Description of public debt issues outstanding June 30, 1954--Continued

| Title of loan and rate of interest | Authorizing act | Tax status | Date of loan | When redeemable or payable[2] | Interest payment date | Average price received (per $100) | Amount issued | Amount retired | Amount outstanding |
|---|---|---|---|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued | | | | | | | | | |
| Public issues--Continued | | | | | | | | | |
| Nonmarketable: | | | | | | | | | |
| Treasury savings notes, series and approximate yield if held to maturity (%): | | | | | | | | | |
| A-1954--1.88.......... | (a) | (f) | 15th day of each mo: July to Dec. 1951 | Redeemable in payment of Federal income, estate, or gift taxes at any time after 2 months from issue date. Redeemable for cash at option of owner at any time after 4 months from issue date: Payable 3 years from issue date | Interest is payable with principal at time of redemption. No interest is payable if note is inscribed in the name of a bank that accepts demand deposits, unless note is acquired by such bank through forfeiture of a loan | Par................ | $2,255,184,900.00 | $2,029,928,900.00 | $225,256,000.00 |
| A-1955--1.88.......... | (a) | (f) | Jan. to Dec. 1952 | Payable 3 years from issue date | ....do........... | Par................ | 3,592,411,900.00 | 3,346,563,500.00 | 245,848,400.00 |
| A-1956--1.88.......... | (a) | (f) | Jan. to Apr. 1953 | Payable 3 years from issue date | ....do........... | Par................ | 325,208,500.00 | 269,981,500.00 | 55,227,000.00 |
| B-1955--2.47.......... | (a) | (f) | May to Sept. 1953 | Payable 2 years from issue date | ....do........... | Par................ | 4,671,412,300.00 | 720,030,300.00 | 3,951,382,000.00 |
| C-1955-A--2.21........ | (a) | (f) | Sept. and Oct. 1953 | Payable 2 years from issue date | ....do........... | Par................ | 679,640,300.00 | 104,920,900.00 | 574,719,400.00 |
| Total Treasury savings notes.............. | ...... | ...... | ............ | ............ | ................. | .................... | 11,523,857,900.00 | 6,471,425,100.00 | 5,052,432,800.00 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| United States savings bonds; series and approximate yield to maturity (%):[7] | | | | | | | | | |
| E-1941--2.90[8]......... | (a) | (f) | First day of each month: May to Dec. 1941 | After 60 days from issue date, on demand at option of owner; 10 years from issue date, but, at the option of owner, may be held and will accrue interest for additional 10 years[9] | Sold at a discount; payable at par on maturity | $75.00.............. | 1,708,265,374.71 | 1,131,208,655.41 | 577,056,719.30 |
| E-1942--2.90[10]........ | (a) | (f) | Jan. to Apr. 1942 | ....do..... | ....do....... | 75.00.............. | 2,092,750,703.66 | 1,333,577,083.49 | 759,173,620.17 |
| E-1942--2.95[10]........ | (a) | (f) | May to Dec. 1942 | ....do..... | ....do....... | 75.00.............. | 5,464,944,928.66 | 3,728,424,932.41 | 1,736,519,996.25 |
| E-1943--2.95[8]......... | (a) | (f) | Jan. to Dec. 1943 | ....do..... | ....do....... | 75.00.............. | 12,182,119,559.95 | 8,136,393,456.08 | 4,045,726,103.87 |
| E-1944--2.95[11]........ | (a) | (f) | Jan. to June 1944 | ....do..... | ....do....... | 75.00.............. | 7,505,496,017.34 | 4,714,924,186.84 | 2,790,571,830.50 |
| E-1944--2.90[11]........ | (a) | (f) | July to Dec. 1944 | ....do..... | ....do....... | 75.00.............. | 6,627,770,987.03 | 4,119,467,052.93 | 2,508,303,934.10 |
| E-1945--2.90.......... | (a) | (f) | Jan. to Dec. 1945 | ....do..... | ....do....... | 75.00.............. | 10,941,182,817.11 | 6,558,948,986.40 | 4,382,233,830.71 |
| E-1946--2.90.......... | (a) | (f) | Jan. to Dec. 1946 | ....do..... | ....do....... | 75.00.............. | 4,797,925,025.68 | 2,594,817,899.58 | 2,203,107,126.10 |
| E-1947--2.90.......... | (a) | (f) | Jan. to Dec. 1947 | ....do..... | ....do....... | 75.00.............. | 4,417,438,242.01 | 2,179,944,459.10 | 2,237,493,782.91 |
| E-1948--2.90.......... | (a) | (f) | Jan. to Dec. 1948 | ....do..... | ....do....... | 75.00.............. | 4,486,784,238.25 | 2,117,757,331.24 | 2,369,026,907.01 |
| E-1949--2.90.......... | (a) | (f) | Jan. to Dec. 1949 | ....do..... | ....do....... | 75.00.............. | 4,390,341,515.33 | 2,001,360,607.63 | 2,388,980,907.70 |
| E-1950--2.90.......... | (a) | (f) | Jan. to Dec. 1950 | ....do..... | ....do....... | 75.00.............. | 3,808,760,822.28 | 1,666,902,424.79 | 2,141,858,397.49 |
| E-1951--2.90.......... | (a) | (f) | Jan. to Dec. 1951 | ....do..... | ....do....... | 75.00.............. | 3,314,040,486.73 | 1,423,499,204.04 | 1,890,541,282.69 |
| E-1952--2.90 (Jan. to Apr. 1952).......... | (a) | (f) | Jan. to Apr. 1952 | ....do..... | ....do....... | 75.00.............. | 1,142,511,588.99 | 469,667,746.21 | 672,843,842.78 |

Footnotes at end of table.

TABLE 23.--Description of public debt issues outstanding June 30, 1954--Continued

| Title of loan and rate of interest | Authorizing act | Tax status | Date of loan | When redeemable or payable[2] | Interest payment date | Average price received (per $100) | Amount issued | Amount retired | Amount outstanding |
|---|---|---|---|---|---|---|---|---|---|
| **INTEREST-BEARING DEBT--Continued** | | | | | | | | | |
| **Public issues--Continued** | | | | | | | | | |
| Nonmarketable--Continued | | | | | | | | | |
| United States savings bonds; series and approximate yield to maturity (%):[7]--Continued | | | | | | | | | |
| E-1952--3.00 (May to Dec. 1952).......... | (a) | (f) | May to Dec. 1952 | After 2 months from issue date, on demand at option of owner; 9 years 8 months from issue date, but, at the option of owner, may be held and will accrue interest for additional 10 years.[9] | Sold at a discount; payable at par on maturity | $75.00............ | $2,344,402,695.30 | $859,628,081.15 | $1,484,774,614.15 |
| E-1953--3.00.......... | (a) | (f) | Jan. to Dec. 1953 | ....do...... | ....do.......... | 75.00............ | 3,943,492,025.50 | 1,091,147,270.35 | 2,852,344,755.15 |
| E-1954--3.00.......... | (a) | (f) | Jan. to June 1954 | ....do...... | ....do.......... | 75.00............ | 1,749,389,587.50 | 150,105,525.00 | 1,599,284,062.50 |
| Unclassified sales and redemptions.......... | ...... | ...... | ............ | ............ | ................ | .................. | 86,806,612.30 | 285,330,784.91 | [12] 198,524,172.61 |
| Total Series E...... | ...... | ...... | ............ | ............ | ................ | .................. | 81,004,423,228.33 | 44,563,105,687.56 | 36,441,317,540.77 |
| F-1942--2.53.......... | (a) | (f) | July to Dec. 1942 | After 6 months from issue date, on demand at option of owner on 1 month's notice; 12 years from issue date. | Sold at a discount; payable at par on maturity. | 74.00............ | 441,200,636.77 | 196,258,434.22 | 244,942,202.55 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| F-1943--2.53 | (a) | (f) | Jan. to Dec. 1943 | ....do | ....do | 74.00 | 869,582,692.27 | 390,989,918.92 | 478,592,773.35 |
| F-1944--2.53 | (a) | (f) | Jan. to Dec. 1944 | ....do | ....do | 74.00 | 913,596,819.14 | 346,428,091.86 | 567,168,727.28 |
| F-1945--2.53 | (a) | (f) | Jan. to Dec. 1945 | ....do | ....do | 74.00 | 687,866,002.25 | 233,617,163.67 | 454,248,838.58 |
| F-1946--2.53 | (a) | (f) | Jan. to Dec. 1946 | ....do | ....do | 74.00 | 369,206,153.91 | 145,835,163.39 | 223,370,990.52 |
| F-1947--2.53 | (a) | (f) | Jan. to Dec. 1947 | ....do | ....do | 74.00 | 374,508,148.35 | 132,679,522.10 | 241,828,626.25 |
| F-1948--2.53 | (a) | (f) | Jan. to Dec. 1948 | ....do | ....do | 74.00 | 533,385,038.74 | 102,324,109.90 | 431,060,928.84 |
| F-1949--2.53 | (a) | (f) | Jan. to Dec. 1949 | ....do | ....do | 74.00 | 251,259,116.71 | 67,846,397.60 | 183,412,719.11 |
| F-1950--2.53 | (a) | (f) | Jan. to Dec. 1950 | ....do | ....do | 74.00 | 423,678,882.97 | 77,199,305.28 | 346,479,577.69 |
| F-1951--2.53 | (a) | (f) | Jan. to Dec. 1951 | ....do | ....do | 74.00 | 128,048,012.75 | 21,895,113.76 | 106,152,898.99 |
| F-1952--2.53 | (a) | (f) | Jan. to Apr. 1952 | ....do | ....do | 74.00 | 41,771,209.35 | 5,701,581.71 | 36,069,627.64 |
| Unclassified sales and redemptions | ...... | ...... | ........... | .......... | .......... | .......... | .......... | 19,089,514.91 | [12] 19,089,514.91 |
| Total Series F | ...... | ...... | ........... | .......... | .......... | .......... | 5,034,102,713.21 | 1,739,864,317.32 | 3,294,238,395.89 |
| G-1942--2.50 | (a) | (f) | July to Dec. 1942 | ....do | Semiannually | Par | 1,279,129,900.00 | 438,603,000.00 | 840,526,900.00 |
| G-1943--2.50 | (a) | (f) | Jan. to Dec. 1943 | ....do | ....do | Par | 2,599,385,600.00 | 906,658,600.00 | 1,692,727,000.00 |
| G-1944--2.50 | (a) | (f) | Jan. to Dec. 1944 | ....do | ....do | Par | 2,895,825,500.00 | 885,064,300.00 | 2,010,761,200.00 |
| G-1945--2.50 | (a) | (f) | Jan. to Dec. 1945 | ....do | ....do | Par | 2,544,238,900.00 | 696,317,300.00 | 1,847,921,600.00 |
| G-1946--2.50 | (a) | (f) | Jan. to Dec. 1946 | ....do | ....do | Par | 2,665,694,200.00 | 753,095,500.00 | 1,912,598,700.00 |
| G-1947--2.50 | (a) | (f) | Jan. to Dec. 1947 | ....do | ....do | Par | 2,248,612,900.00 | 581,696,200.00 | 1,666,916,700.00 |
| G-1948--2.50 | (a) | (f) | Jan. to Dec. 1948 | ....do | ....do | Par | 2,544,696,400.00 | 390,858,900.00 | 2,153,837,500.00 |
| G-1949--2.50 | (a) | (f) | Jan. to Dec. 1949 | ....do | ....do | Par | 1,433,943,600.00 | 262,892,600.00 | 1,171,051,000.00 |
| G-1950--2.50 | (a) | (f) | Jan. to Dec. 1950 | ....do | ....do | Par | 1,939,748,600.00 | 258,784,800.00 | 1,680,963,800.00 |
| G-1951--2.50 | (a) | (f) | Jan. to Dec. 1951 | ....do | ....do | Par | 644,884,700.00 | 81,976,600.00 | 562,908,100.00 |
| G-1952--2.50 | (a) | (f) | Jan. to Apr. 1952 | ....do | ....do | Par | 163,516,500.00 | 17,879,000.00 | 145,637,500.00 |
| Unclassified sales and redemptions | ...... | ...... | ........... | .......... | .......... | .......... | .......... | 59,859,900.00 | [12] 59,859,900.00 |
| Total Series G | ...... | ...... | ........... | .......... | .......... | .......... | 20,959,676,800.00 | 5,333,686,700.00 | 15,625,990,100.00 |

Footnotes at end of table.

TABLE 23.--Description of public debt issues outstanding June 30, 1954--Continued

| Title of loan and rate of interest | Authorizing act | Tax status | Date of loan | When redeemable or payable[2] | Interest payment date | Average price received (per $100) | Amount issued | Amount retired | Amount outstanding |
|---|---|---|---|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued | | | | | | | | | |
| Public issues--Continued | | | | | | | | | |
| Nonmarketable--Continued | | | | | | | | | |
| United States savings bonds; series and approximate yield to maturity (%)[7]--Continued | | | | | | | | | |
| H-1952--3.00......... | (a) | (f) | June to Dec. 1952 | After 6 months from issue date, on demand at option of owner on 1 month's notice; 9 years 8 months from issue date. | Semiannually.... | Par............... | $191,580,000.00 | $15,771,000.00 | $175,809,000.00 |
| H-1953--3.00......... | (a) | (f) | Jan. to Dec. 1953 | ....do..... | ....do......... | Par............... | 470,735,000.00 | 14,923,500.00 | 455,811,500.00 |
| H-1954--3.00......... | (a) | (f) | Jan. to June 1954 | ....do..... | ....do......... | Par............... | 383,805,000.00 | 118,000.00 | 383,687,000.00 |
| Unclassified sales and redemptions..... | ..... | ....... | ............ | .......... | .............. | ................. | 18,791,500.00 | 644,000.00 | 18,147,500.00 |
| Total Series H..... | ..... | ....... | ............ | .......... | .............. | ................. | 1,064,911,500.00 | 31,456,500.00 | 1,033,455,000.00 |
| J-1952--2.76......... | (a) | (f) | May to Dec. 1952 | After 6 months from issue date, on demand at option of owner on 1 month's notice; 12 years from issue date | Sold at a discount; payable at par on maturity | $72.00............ | 90,599,881.63 | 7,536,460.37 | 83,063,421.26 |
| J-1953--2.76.......... | (a) | (f) | Jan. to Dec. 1953 | ....do..... | ....do......... | 72.00............ | 131,970,899.26 | 3,952,914.00 | 128,017,985.26 |
| J-1954--2.76.......... | (a) | (f) | Jan. to June 1954 | ....do..... | ....do......... | 72.00............ | 155,866,644.00 | 121,356.00 | 155,745,288.00 |
| Unclassified sales and redemptions.......... | ...... | ...... | ............ | .......... | .............. | ................. | 9,919,880.00 | 893,046.00 | 9,026,834.00 |
| Total Series J...... | ..... | ...... | ............ | .......... | .............. | ................. | 388,357,304.89 | 12,503,776.37 | 375,853,528.52 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| K-1952--2.76.......... | (a) | (f) | May to Dec. 1952 | ....do...... | Semiannually.... | Par............... | 291,981,500.00 | 17,772,500.00 | 274,209,000.00 |
| K-1953--2.76.......... | (a) | (f) | Jan. to Dec. 1953 | ....do...... | ....do.......... | Par............... | 303,019,500.00 | 7,873,000.00 | 295,146,500.00 |
| K-1954--2.76.......... | (a) | (f) | Jan. to June 1954 | ....do...... | ....do.......... | Par............... | 451,520,000.00 | 132,000.00 | 451,388,000.00 |
| Unclassified sales and redemptions.......... | ...... | ..... | ............ | ........... | ................ | .................. | 25,099,500.00 | 304,000.00 | 24,795,500.00 |
| Total Series K...... | ...... | ..... | ............ | ........... | ................ | .................. | 1,071,620,500.00 | 26,081,500.00 | 1,045,539,000.00 |
| Total United States savings bonds...... | ...... | ..... | ............ | ........... | ................ | .................. | 109,523,092,046.43 | 51,706,698,481.25 | 57,816,393,565.18 |
| Depositary bonds: 2% First series....... | (a) | (f) | Various dates from: July 1942 | At option of United States or owner any time upon 30 to 60 days' notice; 12 years from issue date. | June and Dec. 1. | Par............... | 937,085,750.00 | 525,870,250.00 | 411,215,500.00 |
| Treasury bonds, investment series: 2 1/2% Series A-1965.... | (a) | (f) | Oct. 1, 1947 | On and after Apr. 1, 1948, on demand at option of owner on 1 month's notice; on Oct. 1, 1965. | Apr. 1, Oct. 1. | Par............... | 969,960,000.00 | 56,295,000.00 | 913,665,000.00 |
| 2 3/4% Series B-1975-80 | (a) | (f) | Apr. 1, 1951 | Apr. 1, 1975, exchangeable at any time at option of owner for marketable Treasury notes;[6] [13] on Apr. 1, 1980. | ....do.......... | Par............... | 451,397,500.00 | ................. | ................. |
| | | | | | | Exchange at par... | 14,879,956,500.00 | ................. | ................. |
| | | | | | | | 15,331,354,000.00 | 3,470,107,000.00 | 11,861,247,000.00 |
| Total Treasury bonds, investment series... | ...... | .... | ............ | ........... | ................ | .................. | 16,301,314,000.00 | 3,526,402,000.00 | 12,774,912,000.00 |
| Total nonmarketable obligations.......... | ...... | ..... | ............ | ........... | ................ | .................. | 138,285,349,696.43 | 62,230,395,831.25 | 76,054,953,865.18 |
| Total public issues... | ...... | ..... | ............ | ........... | ................ | .................. | 303,641,167,276.43 | 77,231,633,581.25 | 226,409,533,695.18 |

Footnotes at end of table.

TABLE 23.--Description of public debt issues outstanding June 30, 1954--Continued

| Title of loan and rate of interest | Authorizing act | Tax status | Date of loan | When redeemable or payable[2] | Interest payment date | Average price received (per $100) | Amount issued | Amount retired | Amount outstanding |
|---|---|---|---|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued Special issues | | | | | | | | | |
| Adjusted service certificate fund (certificates): | | | | | | | | | |
| 4% Series 1955......... | (a) | (i) | Jan. 1, 1954 | On demand; on Jan. 1, 1955. | Jan. 1.......... | Par............... | $4,693,000.00 | $50,000.00 | $4,643,000.00 |
| Canal Zone Postal Savings System (notes): | | | Various dates from: | Redeemable after 1 year from date of issue and payable on June 30: | | | | | |
| 2% Series 1956.......... | (a) | (i) | Jan. 28, 1952 | 1956 | June 30, Dec. 31 | Par............... | 550,000.00 | ................ | 550,000.00 |
| 2% Series 1957.......... | (a) | (i) | June 30, 1952 | 1957 | ....do.......... | Par............... | 500,000.00 | ................ | 500,000.00 |
| Civil service retirement fund (certificates): | | | | | | | | | |
| 4% Series 1955......... | (a) | (i) | June 30, 1954 | On demand; on June 30, 1955. | June 30......... | Par............... | 2,264,179,000.00 | ................ | 2,264,179,000.00 |
| 3% Series 1955......... | (a) | (i) | June 30, 1954 | ....do...... | ....do.......... | Par............... | 4,117,000.00 | ................ | 4,117,000.00 |
| Civil service retirement fund (notes): | | | Various dates from June 30: | Redeemable after 1 year from date of issue and payable on June 30: | | | | | |
| 4% Series 1955......... | (a) | (i) | 1950 | 1955 | ....do.......... | Par............... | 1,107,076,000.00 | ................ | 1,107,076,000.00 |
| 4% Series 1956......... | (a) | (i) | 1951 | 1956 | ....do.......... | Par............... | 1,101,839,000.00 | ................ | 1,101,839,000.00 |
| 4% Series 1957......... | (a) | (i) | 1952 | 1957 | ....do.......... | Par............... | 1,351,859,000.00 | ................ | 1,351,859,000.00 |
| 3% Series 1955......... | (a) | (i) | 1950 | 1955 | ....do.......... | Par............... | 3,006,000.00 | ................ | 3,006,000.00 |
| 3% Series 1956......... | (a) | (i) | 1951 | 1956 | ....do.......... | Par............... | 3,408,000.00 | ................ | 3,408,000.00 |
| 3% Series 1957......... | (a) | (i) | 1952 | 1957 | ....do.......... | Par............... | 3,462,000.00 | ................ | 3,462,000.00 |
| Farm tenant mortgage insurance fund (notes): | | | | Redeemable after 1 year from date of issue and payable on Dec. 31: | | | | | |
| 2% Series 1955.......... | (a) | (i) | Nov. 26, 1951 | 1955 | June 30, Dec. 31 | Par............... | 250,000.00 | ................ | 250,000.00 |
| 2% Series 1957.......... | (a) | (i) | Dec. 31, 1952 | 1957 | ....do.......... | Par............... | 1,000,000.00 | ................ | 1,000,000.00 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Federal Deposit Insurance Corporation (notes): | | | Various dates from: | Redeemable after 1 year from date of issue and payable on Dec. 1: | | | | | |
| 2% Series 1954 | (a) | (i) | Dec. 2, 1949 | 1954 | June 1, Dec. 1 | Par | 142,000,000.00 | 3,000,000.00 | 139,000,000.00 |
| 2% Series 1955 | (a) | (i) | Dec. 1, 1950 | 1955 | ....do | Par | 83,000,000.00 | ................ | 83,000,000.00 |
| 2% Series 1956 | (a) | (i) | Dec. 1, 1951 | 1956 | ....do | Par | 428,500,000.00 | 8,500,000.00 | 420,000,000.00 |
| 2% Series 1957 | (a) | (i) | Dec. 1, 1952 | 1957 | ....do | Par | 149,000,000.00 | 45,700,000.00 | 103,300,000.00 |
| 2% Series 1958 | (a) | (i) | Dec. 1, 1953 | 1958 | ....do | Par | 146,900,000.00 | 600,000.00 | 146,300,000.00 |
| Federal home loan banks (notes): | | | Various dates from: | Redeemable after 1 year from date of issue and payable on June 30: | | | | | |
| 2% Series 1957 | (a) | (i) | July 11, 1952 | 1957 | June 30, Dec. 31 | Par | 17,200,000.00 | 7,100,000.00 | 10,100,000.00 |
| 2% Series 1958 | (a) | (i) | June 30, 1953 | 1958 | ....do | Par | 39,900,000.00 | ................ | 39,900,000.00 |
| 1 1/2% Series 1958 | (a) | (i) | Oct. 7, 1953 | 1958 | ....do | Par | 124,800,000.00 | 9,100,000.00 | 115,700,000.00 |
| 1 1/4% Series 1958 | (a) | (i) | Jan. 19, 1954 | 1958 | ....do | Par | 68,900,000.00 | 3,000,000.00 | 65,900,000.00 |
| Federal old-age and survivors insurance trust fund (certificates): | | | | | | | | | |
| 2 1/4% Series 1955 | (a) | (i) | June 30, 1954 | On demand; on June 30, 1955 | June 30, Dec. 31 | Par | 17,054,405,000.00 | ................ | 17,054,405,000.00 |
| Federal Savings and Loan Insurance Corporation (notes): | | | Various dates from: | Redeemable after 1 year from date of issue and payable on June 30: | | | | | |
| 2% Series 1955 | (a) | (i) | June 30, 1950 | 1955 | June 30, Dec. 31 | Par | 17,450,000.00 | 2,200,000.00 | 15,250,000.00 |
| 2% Series 1956 | (a) | (i) | June 26, 1952 | 1956 | ....do | Par | 2,000,000.00 | ................ | 2,000,000.00 |
| | | | Various dates from: | | | | | | |
| 2% Series 1957 | (a) | (i) | Sept. 3, 1952 | 1957 | ....do | Par | 9,000,000.00 | ................ | 9,000,000.00 |
| 2% Series 1958 | (a) | (i) | June 30, 1953 | 1958 | ....do | Par | 41,840,000.00 | ................ | 41,840,000.00 |
| 2% Series 1959 | (a) | (i) | June 30, 1954 | 1959 | ....do | Par | 16,350,000.00 | ................ | 16,350,000.00 |

Footnotes at end of table.

TABLE 23.--Description of public debt issues outstanding June 30, 1954--Continued

| Title of loan and rate of interest | Authorizing act | Tax status | Date of loan | When redeemable or payable[2] | Interest payment date | Average price received (per $100) | Amount issued | Amount retired | Amount outstanding |
|---|---|---|---|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued Special issues--Continued | | | | | | | | | |
| Foreign service retirement fund (certificates): | | | | | | | | | |
| 4% Series 1955 | (a) | (i) | June 30, 1954 | On demand; on June 30, 1955 | June 30 | Par | $6,052,000.00 | ... | $6,052,000.00 |
| 3% Series 1955 | (a) | (i) | June 30, 1954 | On demand; on June 30, 1955 | ....do | Par | 246,000.00 | ... | 246,000.00 |
| Foreign service retirement fund (notes): | | | Various dates from: June 30; | Redeemable after 1 year from date of issue and payable on June 30: | | | | | |
| 4% Series 1955 | (a) | (i) | 1950 | 1955 | ....do | Par | 2,739,000.00 | ... | 2,739,000.00 |
| 4% Series 1956 | (a) | (i) | 1951 | 1956 | ....do | Par | 2,436,000.00 | ... | 2,436,000.00 |
| 4% Series 1957 | (a) | (i) | 1952 | 1957 | ....do | Par | 3,377,800.00 | ... | 3,377,800.00 |
| 3% Series 1955 | (a) | (i) | 1950 | 1955 | ....do | Par | 125,000.00 | ... | 125,000.00 |
| 3% Series 1956 | (a) | (i) | 1951 | 1956 | ....do | Par | 101,000.00 | ... | 101,000.00 |
| 3% Series 1957 | (a) | (i) | 1952 | 1957 | ....do | Par | 152,600.00 | ... | 152,600.00 |
| Government life insurance fund (certificates): | | | | | | | | | |
| 3 1/2% Series 1955 | (a) | (i) | June 30, 1954 | On demand; on June 30, 1955 | ....do | Par | 1,234,000,000.00 | ... | 1,234,000,000.00 |
| Title I Housing insurance fund (notes): | | | | Redeemable after 1 year from date of issue and payable June 30: | | | | | |
| 2% Series 1958 | (a) | (i) | Mar. 1, 1954 | 1958 | June 30, Dec. 31 | Par | 450,000.00 | ... | 450,000.00 |
| Mutual mortgage insurance fund (notes): | | | Various dates from: | | | | | | |
| 2% Series 1958 | (a) | (i) | Mar. 19, 1954 | 1958 | ....do | Par | 9,800,000.00 | ... | 9,800,000.00 |
| National defense housing insurance fund (notes): | | | | | | | | | |
| 2% Series 1958 | (a) | (i) | Feb. 11, 1954 | 1958 | ....do | Par | 6,400,000.00 | $1,800,000.00 | 4,600,000.00 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| National service life insurance fund (notes): | | | Various dates from: June 30: | | | | | | |
| 3% Series 1955 | (a) | (i) | 1950 | 1955 | June 30 | Par | 292,459,000.00 | | 292,459,000.00 |
| 3% Series 1956 | (a) | (i) | 1951 | 1956 | ....do | Par | 792,000,000.00 | | 792,000,000.00 |
| 3% Series 1957 | (a) | (i) | 1952 | 1957 | ....do | Par | 375,485,000.00 | | 375,485,000.00 |
| 3% Series 1958 | (a) | (i) | 1953 | 1958 | ....do | Par | 1,202,535,000.00 | | 1,202,535,000.00 |
| 3% Series 1959 | (a) | (i) | June 30, 1954 | 1959 | ....do | Par | 2,610,000,000.00 | | 2,610,000,000.00 |
| Postal Savings System (notes): | | | | | | | | | |
| 2% Series 1955 | (a) | (i) | June 30, 1950 | 1955 | June 30, Dec. 31 | Par | 124,000,000.00 | | 124,000,000.00 |
| 2% Series 1957 | (a) | (i) | June 30, 1952 | 1957 | ....do | Par | 341,000,000.00 | 253,000,000.00 | 88,000,000.00 |
| Railroad retirement account (notes): | | | Various dates from June 30: | | | | | | |
| 3% Series 1955 | (a) | (i) | 1950 | 1955 | June 30 | Par | 613,590,000.00 | | 613,590,000.00 |
| 3% Series 1956 | (a) | (i) | 1951 | 1956 | ....do | Par | 643,729,000.00 | | 643,729,000.00 |
| 3% Series 1957 | (a) | (i) | 1952 | 1957 | ....do | Par | 1,028,046,000.00 | | 1,028,046,000.00 |
| 3% Series 1958 | (a) | (i) | 1953 | 1958 | ....do | Par | 873,073,000.00 | | 873,073,000.00 |
| 3% Series 1959 | (a) | (i) | June 30, 1954 | 1959 | ....do | Par | 186,817,000.00 | | 186,817,000,00 |
| Unemployment trust fund (certificates): | | | | | | | | | |
| 2 1/4% Series 1955 | (a) | (i) | June 30, 1954 | On demand; on June 30, 1955 | June 30, Dec. 31 | Par | 8,024,000,000.00 | | 8,024,000,000.00 |
| Veterans special term insurance fund (certificates): | | | | | | | | | |
| 2% Series 1955 | (a) | (i) | June 30, 1954 | On demand; on June 30, 1955 | June 30 | Par | 3,025,000.00 | | 3,025,000.00 |
| Total special issues | | | | | | | 42,562,822,400.00 | 334,050,000.00 | 42,228,772,400.00 |
| Total interest-bearing debt outstanding | | | | | | | 346,203,989,676.43 | 77,565,683,581.25 | 268,638,306,095.18 |

Footnotes at end of table.

TABLE 23.--Description of public debt issues outstanding June 30, 1954--Continued

| Title of loan and rate of interest | Authorizing act | Tax status | Date of loan | When redeemable or payable[2] | Interest payment date | Average price received (per $100) | Amount outstanding |
|---|---|---|---|---|---|---|---|
| **MATURED DEBT ON WHICH INTEREST HAS CEASED** | | | | | | | |
| Old debt matured-issued prior to April 1, 1917.[14] | (d) | ...... | ...... | ...... | ...... | ...... | $1,376,530.26 |
| 2 1/2% Postal savings bonds | (c) | ...... | ...... | ...... | ...... | ...... | 1,648,040.00 |
| First Liberty bonds, at various interest rates | (d) | ...... | ...... | ...... | ...... | ...... | 1,329,300.00 |
| Other Liberty bonds and Victory notes, at various interest rates | (d) | ...... | ...... | ...... | ...... | ...... | 5,942,300.00 |
| Treasury bonds, at various interest rates | (a) | ...... | ...... | ...... | ...... | ...... | 159,549,350.00 |
| Adjusted service bonds of 1945 | (a) | ...... | ...... | ...... | ...... | ...... | 4,074,550.00 |
| Treasury notes, at various interest rates | (a) | ...... | ...... | ...... | ...... | ...... | 15,471,000.00 |
| Treasury savings notes | (a) | ...... | ...... | ...... | ...... | ...... | 19,578,100.00 |
| Treasury notes, tax series | (a) | ...... | ...... | ...... | ...... | ...... | 577,725.00 |
| Certificates of indebtedness, at various interest rates | (a) | ...... | ...... | ...... | ...... | ...... | 17,701,950.00 |
| Treasury bills | (a) | ...... | ...... | ...... | ...... | ...... | 24,605,000.00 |
| Treasury savings certificates | (a) | ...... | ...... | ...... | ...... | ...... | 90,225.00 |
| United States savings bonds | (a) | ...... | ...... | ...... | ...... | ...... | 380,246,975.00 |
| Armed forces leave bonds | (a) | ...... | ...... | ...... | ...... | ...... | 38,950,800.00 |
| Total matured debt on which interest has ceased | ...... | ...... | ...... | ...... | ...... | ...... | 671,141,845.26 |

| Title of loan | Amount issued | Amount outstanding |
|---|---|---|
| **DEBT BEARING NO INTEREST** | | |
| Special notes of the United States (issued pursuant to the provisions of the Bretton Woods Agreements Act, approved July 31, 1945, and under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended. The notes are non-negotiable, bear no interest, and are payable on demand): | | |
| International Monetary Fund series | ................ | $1,411,000,000.00 |
| United States savings stamps (Public Debt Act of 1942) | ................ | 50,385,985.65 |
| Excess profits tax refund bonds (issued under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended, and Sections 780 to 783, inclusive, of the Internal Revenue Code, as amended. Issued in series depending upon the tax years for which credits are available and in amounts certified to the Secretary of the Treasury by the Commissioner of Internal Revenue. Bear no interest and mature at yearly intervals after the cessation of hostilities, as provided by Section 780 (E) of the Internal Revenue Code, as amended, and are redeemable at the option of the owner on or after January 1, 1946): | | |
| First Series | ................ | 667,975.86 |
| Second Series | ................ | 583,947.69 |
| Total | ................ | 1,251,923.55 |
| Old demand notes (acts of July 17, 1861 (12 Stat. 259); Aug. 5, 1861 (12 Stat. 313); Feb. 12, 1862 (12 Stat. 338). (Greatest amount ever authorized to be outstanding, $60,000,000) | [15] $60,030,000.00 | 52,917.50 |
| Fractional currency (acts of July 17, 1862 (12 Stat. 592); March 3, 1863 (12 Stat. 711); June 30, 1864 (13 Stat. 220)). (Greatest amount ever authorized to be outstanding, $50,000,000) | [15] 368,724,080.00 | [16] 1,966,429.75 |
| Legal tender notes (acts of Feb. 25, 1862 (12 Stat. 345); July 11, 1862 (12 Stat. 532); Mar. 3, 1863 (12 Stat. 710); May 31, 1878 (20 Stat. 87); Mar. 14, 1900 (31 Stat. 45); Mar. 4, 1907 (34 Stat. 1200)). (Greatest amount ever authorized to be outstanding, $450,000,000) | 346,681,016.00 | 346,681,016.00 |
| Less gold reserve | ................ | 156,039,430.93 |
| National bank notes (redemption account) (the act of July 14, 1890 (20 Stat. 289), provides that balances standing with the Treasurer of the United States to the respective credits of national banks for deposits made to redeem the circulating notes of such banks, and all deposits thereafter received for like purpose, shall be covered into the Treasury as a miscellaneous receipt, and the Treasurer of the United States shall redeem from the general cash in the Treasury the circulating notes of said banks which may come into his possession subject to redemption, * * * and the balance remaining of the deposits so covered shall, at the close of each month, be reported on the monthly public debt statement as debt of the United States bearing no interest). (Authorized to be outstanding at one time. Indefinite) | ................ | 253,620,521.50 |
| Thrift and Treasury savings stamps | ................ | 3,713,194.75 |
| Total debt bearing no interest | ................ | 1,912,632,557.77 |
| Gross debt (including $12,948,849,567.65 debt incurred to finance expenditures of Government corporations for which obligations of such corporations are held by the Treasury) | ................ | 271,222,080,498.21 |
| Guaranteed obligations not owned by the Treasury | ................ | 81,441,286.23 |
| Total gross public debt and guaranteed obligations | ................ | 271,303,521,784.44 |
| Deduct debt not subject to statutory limitation | ................ | 550,701,623.83 |
| Total debt subject to limitation | ................ | 270,752,820,160.61 |

Footnotes on following page.

[1] For summary on basis of daily Treasury statements, see table 22.

[2] Redeemable at the option of the United States on and after dates indicated, except where otherwise stated. In case of Treasury bonds and Treasury Bonds, Investment Series B-1975-80, now outstanding, such bonds may be redeemed only on interest dates, and 4 months' notice of redemption must be given.

[3] Treasury bills are noninterest-bearing and are sold on a discount basis with competitive bids for each issue. The average sale price of these series gives an approximate yield on a bank discount basis (360 days a year) as indicated opposite each issue of bills. This yield differs slightly from the yield on a true discount basis (365 days a year) which is shown in the summary of table 22.

[4] Includes exchanges made by the Federal Reserve System of $1,000,000,000 of Treasury bonds, Investment Series B-1975-80, for Treasury notes of Series EA-1956, $500,000,000 each for Treasury notes of Series EO-1956 and EA-1957, and $713,848,000 for Treasury notes of Series EO-1957.

[5] Not called for redemption on first call date. Callable on succeeding interest payment dates.

[6] Redeemable, at par and accrued interest, to date of payment, at any time upon the death of the owner at the option of the duly constituted representative of the deceased owner's estate, provided entire proceeds of redemption are applied to payment of the Federal estate taxes due from deceased owner's estate.

[7] Amounts issued and retired for Series E, F, and J include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G, H, and K are stated at par value.

[8] Approximate yield if held from issue date to end of 10-year extension period.

[9] Owners have the option of retaining the matured bonds for a further 10-year period and earning interest upon maturity values thereof. During this additional 10-year period interest on bonds bearing issue dates of May 1, 1941, through April 1, 1942, will accrue at the rate of 2 1/2 percent simple interest each year for the first 7 1/2 years, and then increase for the remaining 2 1/2 years to bring the aggregate interest return to approximately 2.9 percent, compounded semiannually. On bonds bearing issue date of May 1, 1942, and subsequent dates, interest will accrue after maturity at the rate of approximately 3 percent per annum, compounded semiannually, for each half-year period of the extension period. Matured Series E bonds in amounts of $500 (maturity value), or multiples thereof, may be exchanged for Series K bonds (Treasury Department Circular 906, April 29, 1952).

[10] If held from issue date to end of 10-year extension period, bonds of this series dated January 1, 1942, through April 1, 1942, yield approximately 2.9 percent and those dated May 1, 1942, through December 1, 1942, yield approximately 2.95 percent.

[11] Matured bonds of this series yield approximately 2.95 percent if held from issue date to end of 10-year extension period, and unmatured bonds of this series yield approximately 2.9 percent if held to maturity.

[12] Deduct.

[13] May be exchanged at option of owner for marketable 1 1/2 percent 5-year Treasury notes, dated April 1 and October 1 next preceding the date of exchange.

[14] For detailed information see 1951 annual report, page 772.

[15] Includes amounts authorized to be outstanding at present time and amounts issued on deposits including reissues.

[16] After deducting amounts officially estimated to have been lost or irrevocably destroyed.

Authorizing acts:
- (a) September 24, 1917, as amended.
- (b) August 5, 1909, February 4, 1910, and March 2, 1911.
- (c) June 25, 1910.
- (d) Various.

Tax status:

(e) Any income derived from Treasury bills of this issue whether interest or gain from their sale or other disposition does not have any exemption, as such, and loss from the sale or other disposition of any such bills does not have any special treatment, as such, under the Internal Revenue Code or laws amendatory or supplementary thereto. The bills are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which the bills are originally sold by the United States is to be considered to be interest.

(f) Income derived from these securities is subject to all taxes now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. The securities are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. The following is applicable to savings bonds only: For the purposes of taxation any increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

Attention is invited to Treasury Decision 4550 ruling that bonds, notes, bills, and certificates of indebtedness of the Federal Government or its agencies, and the interest thereon, are not exempt from the gift tax.

(g) Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess profits and war profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the act approved September 24, 1917, as amended, the principal of which does not exceed in the aggregate $5,000 owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

(h) Exempt from the payment of all taxes or duties of the United States, as well as from all taxation in any form by or under State, municipal, or local authority. (The Supreme Court has held that this exemption does not extend to estate or inheritance taxes, imposed by Federal or State authority.)

(i) These issues being investments of various Government funds and payable only for the account of such funds have no present tax liability.

**In hands of foreign holders--Applicable only to securities issued prior to Mar. 1, 1941:** Bonds, notes, and certificates of indebtedness of the United States, shall, while beneficially owned by a nonresident alien individual, or a foreign corporation, partnership, or association, not engaged in business in the United States, be exempt both as to principal and interest from any and all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

MEMORANDUM RELATING TO OTHER OBLIGATIONS

| | Amount |
|---|---|
| Obligations of the United States payable on presentation: | |
| United States registered interest checks payable............ | $12,515,385.50 |
| United States interest coupons due and outstanding.......... | 129,358,269.84 |
| Interest payable with and accrued discount added to principal of United States securities exclusive of transfer and counter warrant transactions.............................. | 130,556,080.74 |
| Total................................................ | 272,429,736.08 |

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TABLE 24.--Description of guaranteed obligations held outside the Treasury, June 30, 1954

[On basis of daily Treasury statements, see "Bases of Tables"]

| Title | Tax status | Date of issue | Redeemable (on and after) | Payable | Interest payable | Amount: Principal | Amount: Interest[1] | Amount: Total |
|---|---|---|---|---|---|---|---|---|
| UNMATURED OBLIGATIONS | | | | | | | | |
| Federal Housing Administration: | | | | | | | | |
| Mutual mortgage insurance fund, act of June 27, 1934, as amended: | | | | | | | | |
| 3% debentures, Series A | (2) | Various | | (3) | Jan. 1, July 1 | $6,776,386.23 | | |
| 3% debentures, Series A | (2) | ....do | | July 1, 1954 | July 1 | 294,500.00 | | |
| 2 3/4% debentures, Series E | (4) | ....do | (5) | (3) | Jan. 1, July 1 | 233,750.00 | | |
| 2 3/4% debentures, Series E (eleventh call) | (4) | ....do | (Called for redemption July 1, 1954) | | July 1 | 870,400.00 | | |
| 2 1/2% debentures, Series K | (4) | ....do | (5) | (3) | Jan. 1, July 1 | 115,700.00 | | |
| 2 1/2% debentures, Series K (third call) | (4) | ....do | (Called for redemption July 1, 1954) | | July 1 | 204,000.00 | | |
| 3% debentures, Series U | (4) | ....do | (5) | (3) | Jan. 1, July 1 | 6,650.00 | | |
| Housing insurance fund, act of June 27, 1934, as amended: | | | | | | | | |
| 2 1/2% debentures, Series M (first call) | (4) | ....do | (Called for redemption July 1, 1954) | | July 1 | 162,250.00 | | |
| 2 1/2% debentures, Series Q (first call) | (4) | ....do | ....do | | ....do | 1,579,650.00 | | |
| Title I housing insurance fund, act of June 27, 1934, as amended: | | | | | | | | |
| 2 1/2% debentures, Series L | (4) | ....do | (5) | (3) | Jan. 1, July 1 | 16,250.00 | | |
| 2 1/2% debentures, Series L (first call) | (4) | ....do | (Called for redemption July 1, 1954) | | July 1 | 14,600.00 | | |
| War housing insurance fund, act of Mar. 28, 1941, as amended: | | | | | | | | |
| 2 1/2% debentures, Series H | (4) | ....do | (5) | 10 years after date of debenture. | Jan. 1, July 1 | 9,973,300.00 | | |
| 2 1/2% debentures, Series H (twelfth call) | (4) | ....do | (Called for redemption July 1, 1954) | | July 1 | 60,164,650.00 | | |
| 2 1/2% debentures, Series J (third call) | (4) | ....do | ....do | | ....do | 3,300.00 | | |
| Total unmatured obligations | | | | | | 80,415,386.23 | | $80,415,386.23 |
| MATURED OBLIGATIONS | | | | | | | | |
| Commodity Credit Corporation | | | | | | | $11.25 | 11.25 |
| Federal Farm Mortgage Corporation | | | | | | 382,800.00 | 60,551.51 | 443,351.51 |
| Federal Housing Administration | | | | | | | 436.05 | 436.05 |
| Home Owners' Loan Corporation | | | | | | 643,200.00 | 104,939.46 | 748,139.46 |
| Reconstruction Finance Corporation | | | | | | | 19.25 | 19.25 |
| Total matured obligations | | | | | | 1,026,000.00 | 165,957.52 | [6] 1,191,957.52 |
| Total based on guarantees | | | | | | [7] 81,441,386.23 | 165,957.52 | 81,607,343.75 |

NOTE.--For obligations held by Treasury and reflected in the public debt, see table 74.

[1] Does not include accrued interest.

[2] The National Housing Act as amended by the National Housing Act Amendments of 1938, approved Feb. 3, 1938, reads in part as follows: "Such debentures as are issued in exchange for property covered by mortgages insured under Section 203 or Section 207 prior to the date of enactment of the National Housing Act Amendments of 1938 shall be subject only to such Federal, State, and local taxes as the mortgages in exchange for which they are issued would be subject to in the hands of the holder of the debentures. * * * Such debentures as are issued in exchange for property covered by mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority." Under the Public Debt Act of 1941, interest upon and gain from the sale of debentures shall have no exemption under the Internal Revenue Code or laws amendatory or supplementary thereto, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

[3] Payable 3 years after the first day of July following the maturity date of the mortgage for which each debenture was issued.

[4] Income derived from these securities is subject to all taxes, now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. The securities are subject to surtaxes, estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, municipality, or local taxing authority.

[5] Redeemable on any interest day or days, on 3 months' notice.

[6] Funds have been deposited with the Treasurer of the United States for payment of outstanding matured principal and interest obligations guaranteed by the United States.

[7] Amount outstanding on basis of Public Debt accounts is shown in table 18.

TABLE 25.--Description of certain contingent liabilities outstanding June 30, 1954[1]

[On basis of reports received by the Treasury]

| Title and authorizing act | Tax status | Date of issue | Payable | Interest payable | Rate of interest | Amount | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Principal | Accrued interest | Total |
| ON CREDIT OF THE UNITED STATES | | | | | | | | |
| | | | | | Percent | | | |
| U. S. Postal Savings System--funds due depositors, act of June 25, 1910, as amended.[2] | (3) | Date of deposit... | On demand. | (4) | 2 | $2,251,419,237.00 | $103,870,487.93 | [5] $2,355,289,724.93 |
| Canal Zone Postal Savings System--funds due depositors, act of June 13, 1940.[2] | (3) | .....do.......... | .....do... | (4) | 2 | 6,506,400.00 | 261,998.60 | [6] 6,768,398.60 |
| Total............................ | .......... | .................... | .......... | .......... | .......... | 2,257,925,637.00 | 104,132,486.53 | 2,362,058,123.53 |
| OTHER OBLIGATIONS | | | | | | | | |
| Federal Reserve notes (face amount), act of Dec. 23, 1913, as amended.[7] | .......... | .................... | .......... | .......... | .......... | ................. | ................. | [8] 24,726,731,173.32 |

[1] Does not include contingent liability on guaranteed and insured loans to veterans which, as of June 30, 1954, amounted to $9,618,000,000; also does not include contingent liability on war production and contract termination guaranteed loans of the Department of the Army which as of June 30, 1954, amounted to $563,942.58; and contingent liability on loans guaranteed by various agencies through the Federal Reserve Banks pursuant to the Defense Production Act of 1950, which as of June 30, 1954, amounted to $534,695,456.85.

[2] The faith of the United States is solemnly pledged to payment of deposits made in postal savings depositary offices with accrued interest thereon.

[3] Under Public Debt Act of 1941, income derived from deposits made subsequent to Mar. 1, 1941, is subject to all Federal taxes.

[4] Interest payable quarterly from first day of month next following date of deposit.

[5] Offset by cash in designated depositary banks amounting to $30,644,074.76, which is secured by the pledge of collateral as provided in the Regulations of the Postal Savings System, having a face value of $30,911,450; Government securities with a face value of $2,246,641,940; and cash in possession of System and other net assets of $81,621,986.62.

[6] Offset by Government securities with a face value of $7,100,000; and other assets.

[7] Federal Reserve notes are obligations of the United States and shall be receivable by all national and member banks and Federal Reserve Banks and for all taxes, customs, and other public dues. They are redeemable in lawful money on demand at the Treasury Department, Washington, D. C., or at any Federal Reserve Bank.

[8] In actual circulation, exclusive of $861,405,136.68 redemption fund deposited in the Treasury and $955,040,235 of their own Federal Reserve notes held by the issuing banks. The collateral security for Federal Reserve notes issued consists of $11,043,000,000 in gold certificates and in credits with the Treasurer of the United States payable in gold certificates, $16,945,000,000 face amount of U. S. Government securities, and $13,617,000 face amount of commercial paper. Notes issued by a Federal Reserve Bank, are a first lien against the assets of such Bank.

## OPERATIONS IN THE PUBLIC DEBT, ETC.

TABLE 26. --Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | | *Percent* | | |
| July 1 | Postal savings bonds, 45th Series | 2-1/2 | ................ | $17,052,940.00 |
| | Treasury bills: | | | |
| 2 | Issued Apr. 2, 1953: | | | |
| | Redeemed in exchange for series dated July 2, 1953 | 2.029 | ................ | 88,324,000.00 |
| | Redeemable for cash | ..... | ................ | 1,112,223,000.00 |
| 2 | Maturing Oct. 1, 1953: | | | |
| | Issued in exchange for series dated Apr. 2, 1953 | 2.106 | $88,324,000.00 | ................ |
| | Issued for cash | ..... | 1,411,995,000.00 | ................ |
| 9 | Issued Apr. 9, 1953: | | | |
| | Redeemed in exchange for series dated July 9, 1953 | 2.073 | ................ | 119,301,000.00 |
| | Redeemable for cash | ...... | ................ | 1,281,511,000.00 |
| 9 | Maturing Oct. 8, 1953: | | | |
| | Issued in exchange for series dated Apr. 9, 1953 | 2.007 | 119,301,000.00 | ................ |
| | Issued for cash | ..... | 1,381,878,000.00 | ................ |
| | Certificates of indebtedness, Series C-1954 (tax anticipation series): | | | |
| | Maturing Mar. 22, 1954: | | | |
| 15 | Issued for cash | 2-1/2 | 5,901,636,000.00 | ................ |
| | Treasury bills: | | | |
| 16 | Issued Apr. 16, 1953: | | | |
| | Redeemed in exchange for series dated July 16, 1953 | 2.219 | ................ | 231,542,000.00 |
| | Redeemable for cash | ..... | ................ | 1,169,194,000.00 |
| 16 | Maturing Oct. 15, 1953: | | | |
| | Issued in exchange for series dated Apr. 16, 1953 | 2.106 | 231,542,000.00 | ................ |
| | Issued for cash | ..... | 1,268,738,000.00 | ................ |
| 23 | Issued Apr. 23, 1953: | | | |
| | Redeemed in exchange for series dated July 23, 1953 | 2.320 | ................ | 190,347,000.00 |
| | Redeemable for cash | ..... | ................ | 1,310,179,000.00 |
| 23 | Maturing Oct. 22, 1953: | | | |
| | Issued in exchange for series dated Apr. 23, 1953 | 2.127 | 190,347,000.00 | ................ |
| | Issued for cash | ..... | 1,310,273,000.00 | ................ |
| 30 | Issued Apr. 30, 1953: | | | |
| | Redeemed in exchange for series dated July 30, 1953 | 2.243 | ................ | 110,985,000.00 |
| | Redeemable for cash | ..... | ................ | 1,388,939,000.00 |
| 30 | Maturing Oct. 29, 1953: | | | |
| | Issued in exchange for series dated Apr. 30, 1953 | 2.157 | 110,985,000.00 | ................ |
| | Issued for cash | ..... | 1,389,125,000.00 | ................ |
| | United States savings bonds:[5] | | | |
| 31 | Series E-1941 | [6] 2.90 | 856,470.47 | 2,180,252.82 |
| 31 | Series E-1942 | [7] 2.90 | 7,514,213.49 | 12,644,320.76 |
| 31 | Series E-1943 | [8] 2.90 | 11,960,571.62 | 26,611,798.61 |
| 31 | Series E-1944 | 2.90 | 27,906,144.56 | 9,267,993.19 |
| 31 | Series E-1945 | 2.90 | 13,537,343.55 | 6,957,790.98 |
| 31 | Series E-1946 | 2.90 | 10,109,905.56 | 3,211,456.83 |
| 31 | Series E-1947 | 2.90 | 9,714,988.30 | 3,153,273.20 |
| 31 | Series E-1948 | 2.90 | 6,282,364.57 | 3,749,044.25 |
| 31 | Series E-1949 | 2.90 | 6,474,429.92 | 4,260,188.25 |
| 31 | Series E-1950 | 2.90 | 6,199,754.69 | 4,957,393.54 |
| 31 | Series E-1951 | 2.90 | 2,561,251.95 | 6,789,941.57 |
| 31 | Series E-1952 (Jan. to Apr.) | 2.90 | 1,502,521.11 | 3,482,078.40 |
| 31 | Series E-1952 (May to Dec.) | 3.00 | 2,249,308.80 | 12,570,080.54 |
| 31 | Series E-1953 | 3.00 | 331,680,838.90 | 21,738,562.80 |
| 31 | Unclassified sales and redemptions | .... | [9] 2,990,304.39 | 235,139,965.01 |
| 31 | Series F-1941 | 2.53 | 465,693.15 | 2,789,508.00 |
| 31 | Series F-1942 | 2.53 | 2,384,698.64 | 223,131.63 |
| 31 | Series F-1943 | 2.53 | 1,367,611.88 | 282,990.61 |
| 31 | Series F-1944 | 2.53 | 3,177,387.22 | 293,355.35 |
| 31 | Series F-1945 | 2.53 | 742,263.58 | 219,059.35 |
| 31 | Series F-1946 | 2.53 | 841,789.76 | 180,488.75 |
| 31 | Series F-1947 | 2.53 | 1,087,451.48 | 240,205.47 |
| 31 | Series F-1948 | 2.53 | 4,107,248.96 | 161,187.48 |
| 31 | Series F-1949 | 2.53 | 642,630.15 | 115,436.35 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | United States savings bonds[5]--Continued | Percent | | |
| July 31 | Series F-1950 | 2.53 | $450,265.39 | $439,516.63 |
| 31 | Series F-1951 | 2.53 | 181,424.41 | 143,179.67 |
| 31 | Series F-1952 | 2.53 | 59,515.85 | 48,605.15 |
| 31 | Unclassified sales and redemptions | ....... | [9] 222.00 | 30,165,598.26 |
| 31 | Series G-1941 | 2.50 | ................. | 32,816,200.00 |
| 31 | Series G-1942 | 2.50 | ................. | 8,586,900.00 |
| 31 | Series G-1943 | 2.50 | ................. | 8,477,300.00 |
| 31 | Series G-1944 | 2.50 | ................. | 10,206,500.00 |
| 31 | Series G-1945 | 2.50 | ................. | 7,649,100.00 |
| 31 | Series G-1946 | 2.50 | ................. | 9,684,500.00 |
| 31 | Series G-1947 | 2.50 | ................. | 8,113,800.00 |
| 31 | Series G-1948 | 2.50 | ................. | 8,287,300.00 |
| 31 | Series G-1949 | 2.50 | 500.00 | 4,562,900.00 |
| 31 | Series G-1950 | 2.50 | ................. | 7,872,700.00 |
| 31 | Series G-1951 | 2.50 | ................. | 3,490,400.00 |
| 31 | Series G-1952 | 2.50 | ................. | 957,600.00 |
| 31 | Unclassified sales and redemptions | ...... | [9] 500.00 | 33,624,500.00 |
| 31 | Series H-1952 | 3.00 | ................. | 1,135,000.00 |
| 31 | Series H-1953 | 3.00 | 42,617,000.00 | 282,000.00 |
| 31 | Series J-1952 | 2.76 | 65,709.30 | 126,083.92 |
| 31 | Series J-1953 | 2.76 | 10,440,964.10 | 1,065,438.00 |
| 31 | Series K-1952 | 2.76 | 54,000.00 | 1,677,000.00 |
| 31 | Series K-1953 | 2.76 | 22,274,500.00 | 130,000.00 |
| 31 | Depositary bonds, First Series | 2.00 | 4,087,000.00 | 6,558,000.00 |
| | Treasury savings notes: | | | |
| 31 | Series D-1953 | 1.40 | ................. | [10] 21,149,900.00 |
| 31 | Series D-1954 | 1.40 | ................. | 3,255,100.00 |
| 31 | Series A-1954 | 1.88 | ................. | 91,719,500.00 |
| 31 | Series A-1955 | 1.88 | ................. | 74,446,100.00 |
| 31 | Series A-1956 | 1.88 | ................. | 23,294,400.00 |
| 31 | Series B-1955 | 2.47 | 471,581,700.00 | 4,686,200.00 |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1958 | 2-3/4 | ................. | 30,109,000.00 |
| 31 | Treasury notes, Series EA-1958 | 1-1/2 | 30,109,000.00 | ................. |
| 31 | Miscellaneous | ....... | ................. | 31,138,000.00 |
| | Total, July | ....... | 14,436,441,434.97 | 7,846,715,765.37 |
| | Treasury bills: | | | |
| Aug. 6 | Issued May 7, 1953: | | | |
| | Redeemed in exchange for series dated Aug. 6, 1953 | 2.352 | ................. | 181,755,000.00 |
| | Redeemable for cash | ...... | ................. | 1,318,625,000.00 |
| 6 | Maturing Nov. 5, 1953: | | | |
| | Issued in exchange for series dated May 7, 1953 | 2.136 | 181,755,000.00 | ................. |
| | Issued for cash | ...... | 1,318,554,000.00 | ................. |
| 13 | Issued May 14, 1953: | | | |
| | Redeemed in exchange for series dated Aug. 13, 1953 | 2.271 | ................. | 208,037,000.00 |
| | Redeemable for cash | ...... | ................. | 1,292,532,000.00 |
| 13 | Maturing Nov. 12,1953: | | | |
| | Issued in exchange for series dated May 14, 1953 | 2.116 | 208,037,000.00 | ................. |
| | Issued for cash | ...... | 1,292,665,000.00 | ................. |
| | Certificates of indebtedness, Series C-1953: | | | |
| 15 | Redeemed in exchange for certificates Series D-1954 | 2.00 | ................. | 2,788,226,000.00 |
| | Redeemable for cash | ...... | ................. | 93,350,000.00 |
| 15 | Certificates of indebtedness, Series D-1954 | 2-5/8 | 2,788,226,000.00 | ................. |
| | Treasury bills: | | | |
| 20 | Issued May 21, 1953: | | | |
| | Redeemed in exchange for series dated Aug. 20, 1953 | 2.092 | ................. | 154,235,000.00 |
| | Redeemable for cash | ..... | ................. | 1,346,978,000.00 |
| 20 | Maturing Nov. 19, 1953: | | | |
| | Issued in exchange for series dated May 21, 1953 | 2.101 | 154,235,000.00 | ................. |
| | Issued for cash | ...... | 1,347,193,000.00 | ................. |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | | | | |
| | Treasury bills--Continued | | | |
| Aug. 27 | Issued May 28, 1953: | | | |
| | Redeemed in exchange for series dated Aug. 27, 1953 | *Percent* 2.084 | ........ | $192,666,000.00 |
| | Redeemable for cash | ........ | ........ | 1,308,111,000.00 |
| 27 | Maturing Nov. 27, 1953: | | | |
| | Issued in exchange for series dated May 28, 1953 | 2.001 | $192,666,000.00 | ........ |
| | Issued for cash | ........ | 1,308,852,000.00 | ........ |
| | United States savings bonds:[5] | | | |
| 31 | Series E-1941 | [6] 2.90 | 602,542.47 | 6,677,557.12 |
| 31 | Series E-1942 | [7] 2.90 | 4,694,760.84 | 38,491,361.25 |
| 31 | Series E-1943 | [8] 2.90 | 9,451,190.25 | 89,641,560.40 |
| 31 | Series E-1944 | 2.90 | 20,876,452.84 | 30,106,772.85 |
| 31 | Series E-1945 | 2.90 | 9,619,049.48 | 22,116,785.65 |
| 31 | Series E-1946 | 2.90 | 7,771,317.90 | 10,851,569.45 |
| 31 | Series E-1947 | 2.90 | 6,548,310.65 | 11,135,638.35 |
| 31 | Series E-1948 | 2.90 | 4,698,276.18 | 13,223,284.30 |
| 31 | Series E-1949 | 2.90 | 4,954,893.35 | 15,321,198.70 |
| 31 | Series E-1950 | 2.90 | 4,639,735.73 | 17,336,206.79 |
| 31 | Series E-1951 | 2.90 | 2,067,449.81 | 22,097,287.46 |
| 31 | Series E-1952 (Jan. to Apr.) | 2.90 | 1,202,218.66 | 10,877,529.76 |
| 31 | Series E-1952 (May to Dec.) | 3.00 | 1,975,939.95 | 37,555,707.25 |
| 31 | Series E-1953 | 3.00 | 297,141,631.80 | 77,560,163.85 |
| 31 | Unclassified sales and redemptions | ........ | 13,266,642.73 | [9] 73,673,177.05 |
| 31 | Series F-1941 | 2.53 | 296,951.40 | 15,855,469.00 |
| 31 | Series F-1942 | 2.53 | 1,112,458.09 | 2,117,340.49 |
| 31 | Series F-1943 | 2.53 | 723,945.82 | 2,350,697.72 |
| 31 | Series F-1944 | 2.53 | 1,279,877.74 | 2,246,034.08 |
| 31 | Series F-1945 | 2.53 | 377,374.66 | 1,591,846.55 |
| 31 | Series F-1946 | 2.53 | 562,163.95 | 1,161,784.71 |
| 31 | Series F-1947 | 2.53 | 579,531.80 | 1,315,383.30 |
| 31 | Series F-1948 | 2.53 | 469,200.68 | 2,604,341.16 |
| 31 | Series F-1949 | 2.53 | 358,456.69 | 1,594,870.83 |
| 31 | Series F-1950 | 2.53 | 246,437.18 | 3,096,301.03 |
| 31 | Series F-1951 | 2.53 | 116,960.18 | 714,600.06 |
| 31 | Series F-1952 | 2.53 | 37,972.17 | 310,994.58 |
| 31 | Unclassified sales and redemptions | ........ | ........ | [9] 10,568,336.99 |
| 31 | Series G-1941 | 2.50 | ........ | 65,539,700.00 |
| 31 | Series G-1942 | 2.50 | ........ | 9,290,200.00 |
| 31 | Series G-1943 | 2.50 | ........ | 8,917,200.00 |
| 31 | Series G-1944 | 2.50 | ........ | 9,528,400.00 |
| 31 | Series G-1945 | 2.50 | ........ | 6,934,000.00 |
| 31 | Series G-1946 | 2.50 | ........ | 11,833,300.00 |
| 31 | Series G-1947 | 2.50 | ........ | 7,783,600.00 |
| 31 | Series G-1948 | 2.50 | ........ | 8,561,200.00 |
| 31 | Series G-1949 | 2.50 | ........ | 6,509,700.00 |
| 31 | Series G-1950 | 2.50 | ........ | 9,408,000.00 |
| 31 | Series G-1951 | 2.50 | ........ | 4,328,300.00 |
| 31 | Series G-1952 | 2.50 | ........ | 1,216,000.00 |
| 31 | Unclassified sales and redemptions | ........ | ........ | [9] 30,271,000.00 |
| 31 | Series H-1952 | 3.00 | ........ | 1,152,000.00 |
| 31 | Series H-1953 | 3.00 | 37,425,000.00 | 427,500.00 |
| 31 | Series J-1952 | 2.76 | 60,544.55 | 168,630.40 |
| 31 | Series J-1953 | 2.76 | 7,657,741.00 | 319,918.14 |
| 31 | Series K-1952 | 2.76 | 1,500.00 | 2,139,500.00 |
| 31 | Series K-1953 | 2.76 | 17,497,500.00 | 931,000.00 |
| 31 | Depositary bonds, First Series | 2.00 | 1,272,000.00 | 3,971,000.00 |
| | Treasury savings notes: | | | |
| 31 | Series D-1953 | 1.40 | ........ | [10] 10,952,700.00 |
| 31 | Series D-1954 | 1.40 | ........ | 1,114,200.00 |
| 31 | Series A-1954 | 1.88 | ........ | 73,056,900.00 |
| 31 | Series A-1955 | 1.88 | ........ | 97,060,200.00 |
| 31 | Series A-1956 | 1.88 | ........ | 22,005,200.00 |
| 31 | Series B-1955 | 2.47 | 478,751,200.00 | 3,737,200.00 |
| 31 | Treasury bonds, Investment Series B-1975-80: | | | |
| | Redeemed in exchange for Treasury notes, Series EA-1958 | 2-3/4 | ........ | 37,333,000.00 |
| 31 | Treasury notes, Series EA-1958 | 1-1/2 | 37,333,000.00 | ........ |
| 31 | Miscellaneous | ........ | ........ | 3,692,900.00 |
| | Total, August | ........ | 9,767,853,228.55 | 9,615,866,221.19 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | | | | |
| | Treasury bills: | | | |
| Sept. 3 | Issued June 4, 1953: | | | |
| | Redeemed in exchange for series dated Sept. 3, 1953 | Percent 2.416 | .................. | $175,678,000.00 |
| | Redeemable for cash | ........ | .................. | 1,324,623,000.00 |
| 3 | Maturing Dec. 3, 1953: | | | |
| | Issued in exchange for series dated June 4, 1953 | 1.961 | $175,678,000.00 | .................. |
| | Issued for cash | ........ | 1,324,804,000.00 | .................. |
| 10 | Issued June 11, 1953: | | | |
| | Redeemed in exchange for series dated Sept. 10, 1953 | 2.323 | .................. | 92,735,000.00 |
| | Redeemable for cash | ........ | .................. | 1,307,221,000.00 |
| 10 | Maturing Dec. 10, 1953: | | | |
| | Issued in exchange for series dated June 11, 1953 | 1.953 | 92,735,000.00 | .................. |
| | Issued for cash | ........ | 1,407,773,000.00 | .................. |
| | Treasury bonds of 1951-53: | | | |
| 15 | Redeemed in exchange for certificates, Series E-1954 | 2.00 | .................. | 4,724,009,000.00 |
| | Redeemable for cash | ........ | .................. | 265,659,000.00 |
| 15 | Certificates of indebtedness, Series E-1954 | 2-5/8 | 4,724,009,000.00 | .................. |
| | Treasury bonds of 1951-53: | | | |
| 15 | Redeemed in exchange for Treasury notes, Series A-1957 | 2.00 | .................. | 2,996,574,000.00 |
| 15 | Treasury notes, Series A-1957 | 2-7/8 | 2,996,574,000.00 | .................. |
| | Treasury bills: | | | |
| 17 | Issued June 18, 1953: | | | |
| | Redeemed in exchange for series dated Sept. 17, 1953 | 2.228 | .................. | 193,413,000.00 |
| | Redeemable for cash | ........ | .................. | 1,307,090,000.00 |
| 17 | Maturing Dec. 17, 1953: | | | |
| | Issued in exchange for series dated June 18, 1953 | 1.957 | 193,413,000.00 | .................. |
| | Issued for cash | ........ | 1,306,877,000.00 | .................. |
| | Treasury bills (tax anticipation series): | | | |
| 18 | Issued June 3, 1953: | | | |
| | Redeemable for cash | 2.383 | .................. | 800,464,000.00 |
| | Treasury bills: | | | |
| 24 | Issued June 25, 1953: | | | |
| | Redeemed in exchange for series dated Sept. 24, 1953 | 1.954 | .................. | 258,173,000.00 |
| | Redeemable for cash | ........ | .................. | 1,242,056,000.00 |
| 24 | Maturing Dec. 24, 1953: | | | |
| | Issued in exchange for series dated June 25, 1953 | 1.634 | 258,173,000.00 | .................. |
| | Issued for cash | ........ | 1,241,775,000.00 | .................. |
| | United States savings bonds:[5] | | | |
| 30 | Series E-1941 | [6] 2.90 | 536,504.26 | 5,767,520.36 |
| 30 | Series E-1942 | [7] 2.90 | 5,059,921.36 | 33,696,181.77 |
| 30 | Series E-1943 | [8] 2.90 | 25,894,122.50 | 84,353,636.18 |
| 30 | Series E-1944 | 2.90 | 9,481,092.78 | 29,760,715.83 |
| 30 | Series E-1945 | 2.90 | 8,754,375.83 | 21,582,552.35 |
| 30 | Series E-1946 | 2.90 | 7,358,723.20 | 10,448,355.55 |
| 30 | Series E-1947 | 2.90 | 6,460,802.65 | 11,062,983.07 |
| 30 | Series E-1948 | 2.90 | 4,340,705.13 | 13,113,591.62 |
| 30 | Series E-1949 | 2.90 | 4,725,138.36 | 14,959,237.29 |
| 30 | Series E-1950 | 2.90 | 4,512,339.33 | 16,792,283.50 |
| 30 | Series E-1951 | 2.90 | 1,533,387.39 | 21,296,062.47 |
| 30 | Series E-1952 (Jan. to Apr.) | 2.90 | 1,170,484.68 | 10,442,297.29 |
| 30 | Series E-1952 (May to Dec.) | 3.00 | 1,960,505.70 | 34,003,111.00 |
| 30 | Series E-1953 | 3.00 | 310,351,340.00 | 88,954,984.35 |
| 30 | Unclassified sales and redemptions | ........ | [9] 7,408,959.64 | [9] 18,488,462.77 |
| 30 | Series F-1941 | 2.53 | [11] 2,347,935.51 | 12,422,434.50 |
| 30 | Series F-1942 | 2.53 | 1,285,241.60 | 3,388,170.49 |
| 30 | Series F-1943 | 2.53 | 2,473,784.44 | 3,546,780.14 |
| 30 | Series F-1944 | 2.53 | 376,368.91 | 4,081,845.08 |
| 30 | Series F-1945 | 2.53 | 341,032.78 | 2,870,676.93 |
| 30 | Series F-1946 | 2.53 | 502,194.58 | 2,635,304.80 |
| 30 | Series F-1947 | 2.53 | 609,079.70 | 2,743,722.69 |
| 30 | Series F-1948 | 2.53 | 431,180.81 | 2,659,542.81 |
| 30 | Series F-1949 | 2.53 | 361,058.84 | 2,020,887.62 |
| 30 | Series F-1950 | 2.53 | 225,236.23 | 3,095,755.55 |
| 30 | Series F-1951 | 2.53 | 94,695.91 | 1,491,964.27 |
| 30 | Series F-1952 | 2.53 | 31,752.25 | 552,915.28 |
| 30 | Unclassified sales and redemptions | ........ | 20,572.00 | [9] 21,284,175.77 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | United States savings bonds[5]--Continued | *Percent* | | |
| Sept. 30 | Series G-1941 | 2.50 | ... | $52,025,500.00 |
| 30 | Series G-1942 | 2.50 | ... | 8,337,400.00 |
| 30 | Series G-1943 | 2.50 | ... | 9,692,100.00 |
| 30 | Series G-1944 | 2.50 | ... | 8,283,100.00 |
| 30 | Series G-1945 | 2.50 | ... | 6,489,600.00 |
| 30 | Series G-1946 | 2.50 | ... | 8,824,800.00 |
| 30 | Series G-1947 | 2.50 | ... | 6,731,800.00 |
| 30 | Series G-1948 | 2.50 | ... | 8,089,200.00 |
| 30 | Series G-1949 | 2.50 | ... | 3,946,100.00 |
| 30 | Series G-1950 | 2.50 | ... | 4,711,400.00 |
| 30 | Series G-1951 | 2.50 | ... | 2,972,600.00 |
| 30 | Series G-1952 | 2.50 | $3,000.00 | 831,500.00 |
| 30 | Unclassified sales and redemptions | ... | ... | [9] 11,889,100.00 |
| 30 | Series H-1952 | 3.00 | ... | 953,000.00 |
| 30 | Series H-1953 | 3.00 | 41,808,000 00 | 703,500.00 |
| 30 | Series J-1952 | 2.76 | 78,641.35 | 1,724,182.94 |
| 30 | Series J-1953 | 2.76 | 8,186,836.90 | [9] 194,255.82 |
| 30 | Series K-1952 | 2.76 | 1,500.00 | 995,500.00 |
| 30 | Series K-1953 | 2.76 | 16,748,500.00 | 563,000.00 |
| 30 | Depositary bonds, First Series | 2.00 | 20,040,000.00 | 2,728,000.00 |
| | Treasury savings notes: | | | |
| 30 | Series D-1953 | 1.40 | ... | [10] 13,513,800.00 |
| 30 | Series D-1954 | 1.40 | ... | 2,015,900.00 |
| 30 | Series A-1954 | 1.88 | ... | 63,274,500.00 |
| 30 | Series A-1955 | 1.88 | ... | 77,655,400.00 |
| 30 | Series A-1956 | 1.88 | ... | 15,149,100.00 |
| 30 | Series B-1955 | 2.47 | 952,036,900.00 | 118,063,500.00 |
| 30 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1958 | 2-3/4 | ... | 104,927,000.00 |
| 30 | Treasury notes, Series EA-1958 | 1-1/2 | 104,927,000.00 | ... |
| 30 | Miscellaneous | ... | ... | 3,153,500.00 |
| | Total, September | ... | 15,254,776,124.32 | 15,599,937,501.37 |
| | Treasury bills: | | | |
| Oct. 1 | Issued July 2, 1953: | | | |
| | Redeemed in exchange for series dated Oct. 1, 1953 | 2.106 | ... | 240,712,000.00 |
| | Redeemable for cash | ... | ... | 1,259,607,000.00 |
| 1 | Maturing Dec. 31, 1953: | | | |
| | Issued in exchange for series dated July 2, 1953 | 1.583 | 240,712,000.00 | ... |
| | Issued for cash | ... | 1,260,231,000.00 | ... |
| 8 | Issued July 9, 1953: | | | |
| | Redeemed in exchange for series dated Oct. 8, 1953 | 2.007 | ... | 131,031,000.00 |
| | Redeemable for cash | ... | ... | 1,370,148,000.00 |
| 8 | Maturing Jan. 7, 1954: | | | |
| | Issued in exchange for series dated July 9, 1953 | 1.397 | 131,031,000.00 | ... |
| | Issued for cash | ... | 1,369,789,000.00 | ... |
| 15 | Issued July 16, 1953: | | | |
| | Redeemed in exchange for series dated Oct. 15, 1953 | 2.106 | ... | 238,142,000.00 |
| | Redeemable for cash | ... | ... | 1,262,138,000.00 |
| 15 | Maturing Jan. 14, 1954: | | | |
| | Issued in exchange for series dated July 16, 1953 | 1.438 | 238,142,000.00 | ... |
| | Issued for cash | ... | 1,263,302,000.00 | ... |
| 22 | Issued July 23, 1953: | | | |
| | Redeemed in exchange for series dated Oct. 22, 1953 | 2.127 | ... | 178,027,000.00 |
| | Redeemable for cash | ... | ... | 1,322,593,000.00 |
| 22 | Maturing Jan. 21, 1954: | | | |
| | Issued in exchange for series dated July 23, 1953 | 1.372 | 178,027,000.00 | ... |
| | Issued for cash | ... | 1,322,722,000.00 | ... |
| 29 | Issued July 30, 1953: | | | |
| | Redeemed in exchange for series dated Oct. 29, 1953 | 2.157 | ... | 112,169,000.00 |
| | Redeemable for cash | ... | ... | 1,387,941,000.00 |
| 29 | Maturing Jan. 28, 1954: | | | |
| | Issued in exchange for series dated July 30, 1953 | 1.220 | 112,169,000.00 | ... |
| | Issued for cash | ... | 1,387,710,000.00 | ... |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | | | | |
| | United States savings bonds:[5] | Percent | | |
| Oct. 31 | Series E-1941 | [6] 2.90 | $680,497.17 | $6,127,508.41 |
| 31 | Series E-1942 | [7] 2.90 | 5,471,833.13 | 33,894,342.22 |
| 31 | Series E-1943 | [8] 2.90 | 16,770,575.39 | 145,117,105.63 |
| 31 | Series E-1944 | 2.90 | 8,640,658.86 | 29,165,085.51 |
| 31 | Series E-1945 | 2.90 | 10,807,252.23 | 20,805,563.25 |
| 31 | Series E-1946 | 2.90 | 7,567,521.25 | 10,351,951.55 |
| 31 | Series E-1947 | 2.90 | 5,980,411.20 | 10,620,156.70 |
| 31 | Series E-1948 | 2.90 | 4,245,820.49 | 12,728,833.74 |
| 31 | Series E-1949 | 2.90 | 4,406,773.80 | 14,010,159.15 |
| 31 | Series E-1950 | 2.90 | 4,178,747.20 | 15,679,644.27 |
| 31 | Series E-1951 | 2.90 | 2,075,785.35 | 19,873,795.40 |
| 31 | Series E-1952 (Jan. to Apr.) | 2.90 | 1,028,029.13 | 9,706,922.72 |
| 31 | Series E-1952 (May to Dec.) | 3.00 | 2,215,545.30 | 28,621,864.72 |
| 31 | Series E-1953 | 3.00 | 315,545,188.95 | 100,351,443.65 |
| 31 | Unclassified sales and redemptions | ......... | [9] 710,864.83 | [9] 106,098,395.99 |
| 31 | Series F-1941 | 2.53 | 238,741.00 | 11,024,451.50 |
| 31 | Series F-1942 | 2.53 | 1,110,673.84 | 2,300,657.97 |
| 31 | Series F-1943 | 2.53 | 2,279,704.37 | 2,972,249.88 |
| 31 | Series F-1944 | 2.53 | 282,219.21 | 2,300,143.23 |
| 31 | Series F-1945 | 2.53 | 454,762.10 | 1,456,106.38 |
| 31 | Series F-1946 | 2.53 | 495,032.59 | 1,186,165.97 |
| 31 | Series F-1947 | 2.53 | 574,208.03 | 1,499,483.66 |
| 31 | Series F-1948 | 2.53 | 347,386.99 | 1,299,145.45 |
| 31 | Series F-1949 | 2.53 | 300,791.50 | 853,005.62 |
| 31 | Series F-1950 | 2.53 | 1,189,964.25 | 1,580,731.92 |
| 31 | Series F-1951 | 2.53 | 102,180.09 | 867,012.80 |
| 31 | Series F-1952 | 2.53 | 24,661.62 | 280,607.68 |
| 31 | Unclassified sales and redemptions | ......... | [9] 20,498.00 | [9] 4,277,717.37 |
| 31 | Series G-1941 | 2.50 | .................. | 55,733,200.00 |
| 31 | Series G-1942 | 2.50 | .................. | 6,491,400.00 |
| 31 | Series G-1943 | 2.50 | .................. | 8,140,100.00 |
| 31 | Series G-1944 | 2.50 | .................. | 5,931,600.00 |
| 31 | Series G-1945 | 2.50 | .................. | 7,206,000.00 |
| 31 | Series G-1946 | 2.50 | .................. | 8,639,900.00 |
| 31 | Series G-1947 | 2.50 | .................. | 6,802,300.00 |
| 31 | Series G-1948 | 2.50 | .................. | 4,538,200.00 |
| 31 | Series G-1949 | 2.50 | .................. | 4,419,000.00 |
| 31 | Series G-1950 | 2.50 | .................. | 9,135,200.00 |
| 31 | Series G-1951 | 2.50 | .................. | 2,322,700.00 |
| 31 | Series G-1952 | 2.50 | .................. | 784,000.00 |
| 31 | Unclassified sales and redemptions | ......... | .................. | [9] 11,518,900.00 |
| 31 | Series H-1952 | 3.00 | .................. | 906,000.00 |
| 31 | Series H-1953 | 3.00 | 43,396,500.00 | 967,000.00 |
| 31 | Series J-1952 | 2.76 | 67,725.74 | 793,763.50 |
| 31 | Series J-1953 | 2.76 | 8,431,372.30 | [11] 131,017.36 |
| 31 | Series K-1952 | 2.76 | 1,500.00 | 976,000.00 |
| 31 | Series K-1953 | 2.76 | 18,755,500.00 | 490,500.00 |
| 31 | Depositary bonds, First Series | 2.00 | 532,000.00 | 5,101,000.00 |
| | Treasury savings notes: | | | |
| 31 | Series D-1953 | 1.40 | .................. | [10] 13,125,100.00 |
| 31 | Series D-1954 | 1.40 | .................. | 362,700.00 |
| 31 | Series A-1954 | 1.88 | .................. | 17,937,900.00 |
| 31 | Series A-1955 | 1.88 | .................. | 12,853,700.00 |
| 31 | Series A-1956 | 1.88 | .................. | 5,567,200.00 |
| 31 | Series B-1955 | 2.47 | 8,787,000.00 | 18,139,000.00 |
| 31 | Series C-1955-A | 2.21 | 677,740,300.00 | .................. |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1958 | 2-3/4 | .................. | 133,481,000.00 |
| 31 | Treasury notes, Series EA-1958 | 1-1/2 | 133,481,000.00 | .................. |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1958 | 2-3/4 | .................. | 9,390,000.00 |
| 31 | Treasury notes, Series EO-1958 | 1-1/2 | 9,390,000.00 | .................. |
| 31 | Miscellaneous | ......... | .................. | 9,660,650.00 |
| | Total, October | ......... | 8,800,701,500.25 | 8,215,051,221.76 |
| | Treasury bills: | | | |
| Nov. 5 | Issued Aug. 6, 1953: Redeemed in exchange for series dated Nov. 5, 1953 | 2.136 | .................. | 168,644,000.00 |
| | Redeemable for cash | ......... | .................. | 1,331,665,000.00 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | Treasury bills: | | | |
| Nov. 5 | Maturing Feb. 4, 1954: | | | |
| | Issued in exchange for series dated | Percent | | |
| | Aug. 6, 1953 | 1.306 | $168,644,000.00 | ................ |
| | Issued for cash | ..... | 1,331,977,000.00 | ................ |
| 9 | Treasury bonds of 1961: | | | |
| | Issued for cash | 2-3/4 | 2,239,262,000.00 | ................ |
| | Treasury bills: | | | |
| 12 | Issued Aug. 13, 1953: | | | |
| | Redeemed in exchange for series | | | |
| | dated Nov. 12, 1953 | 2.116 | ................ | $198,855,000.00 |
| | Redeemable for cash | ..... | ................ | 1,301,847,000.00 |
| 12 | Maturing Feb. 11, 1954: | | | |
| | Issued in exchange for series dated | | | |
| | Aug. 13, 1953 | 1.481 | 198,855,000.00 | ................ |
| | Issued for cash | ..... | 1,301,211,000.00 | ................ |
| 19 | Issued Aug. 20, 1953: | | | |
| | Redeemed in exchange for series | | | |
| | dated Nov. 19, 1953 | 2.101 | ................ | 158,116,000.00 |
| | Redeemable for cash | ..... | ................ | 1,343,312,000.00 |
| 19 | Maturing Feb. 18, 1954: | | | |
| | Issued in exchange for series dated | | | |
| | Aug. 20, 1953 | 1.433 | 158,116,000.00 | ................ |
| | Issued for cash | ..... | 1,343,571,000.00 | ................ |
| 27 | Issued Aug. 27, 1953: | | | |
| | Redeemed in exchange for series | | | |
| | dated Nov. 27, 1953 | 2.001 | ................ | 238,432,000.00 |
| | Redeemable for cash | ..... | ................ | 1,263,086,000.00 |
| 27 | Maturing Feb. 25, 1954: | | | |
| | Issued in exchange for series dated | | | |
| | Aug. 27, 1953 | 1.488 | 238,432,000.00 | ................ |
| | Issued for cash | ..... | 1,262,738,000.00 | ................ |
| | United States savings bonds:[5] | | | |
| 30 | Series E-1941 | [6] 2.90 | 1,270,492.40 | 4,475,468.97 |
| 30 | Series E-1942 | [7] 2.90 | 6,285,213.54 | 25,077,853.02 |
| 30 | Series E-1943 | [8] 2.90 | 9,300,721.38 | 89,820,210.80 |
| 30 | Series E-1944 | 2.90 | 15,050,975.41 | 22,124,607.71 |
| 30 | Series E-1945 | 2.90 | 26,832,759.38 | 16,230,236.95 |
| 30 | Series E-1946 | 2.90 | 7,559,491.75 | 7,978,849.20 |
| 30 | Series E-1947 | 2.90 | 5,554,231.05 | 8,408,275.70 |
| 30 | Series E-1948 | 2.90 | 4,260,306.70 | 9,387,245.85 |
| 30 | Series E-1949 | 2.90 | 4,391,497.53 | 10,931,560.13 |
| 30 | Series E-1950 | 2.90 | 4,060,215.30 | 12,067,970.84 |
| 30 | Series E-1951 | 2.90 | 1,991,348.57 | 14,752,674.73 |
| 30 | Series E-1952 (Jan. to Apr.) | 2.90 | 3,506.25 | 7,305,230.79 |
| 30 | Series E-1952 (May to Dec.) | 3.00 | 4,432,650.78 | 20,643,993.79 |
| 30 | Series E-1953 | 3.00 | 287,037,548.50 | 82,134,713.50 |
| 30 | Unclassified sales and redemptions | ..... | 12,880,195.17 | [9] 19,524,924.02 |
| 30 | Series F-1941 | 2.53 | 212,881.50 | 8,790,305.00 |
| 30 | Series F-1942 | 2.53 | 1,144,255.40 | 1,207,125.80 |
| 30 | Series F-1943 | 2.53 | 677,869.74 | 1,345,495.14 |
| 30 | Series F-1944 | 2.53 | 886,948.56 | 1,098,894.57 |
| 30 | Series F-1945 | 2.53 | 1,259,745.16 | 1,293,200.43 |
| 30 | Series F-1946 | 2.53 | 477,052.52 | 1,049,590.98 |
| 30 | Series F-1947 | 2.53 | 454,926.71 | 945,850.80 |
| 30 | Series F-1948 | 2.53 | 340,911.14 | 864,006.60 |
| 30 | Series F-1949 | 2.53 | 316,050.14 | 560,950.43 |
| 30 | Series F-1950 | 2.53 | 363,898.30 | 1,203,134.22 |
| 30 | Series F-1951 | 2.53 | 91,633.75 | 608,712.53 |
| 30 | Series F-1952 | 2.53 | [11] 369.75 | 118,734.22 |
| 30 | Unclassified sales and redemptions | ..... | 148.00 | 3,442,674.53 |
| 30 | Series G-1941 | 2.50 | ................ | 31,703,600.00 |
| 30 | Series G-1942 | 2.50 | ................ | 6,231,100.00 |
| 30 | Series G-1943 | 2.50 | ................ | 6,881,000.00 |
| 30 | Series G-1944 | 2.50 | ................ | 7,680,700.00 |
| 30 | Series G-1945 | 2.50 | ................ | 6,547,800.00 |
| 30 | Series G-1946 | 2.50 | ................ | 8,776,500.00 |
| 30 | Series G-1947 | 2.50 | ................ | 7,094,800.00 |
| 30 | Series G-1948 | 2.50 | ................ | 4,859,300.00 |
| 30 | Series G-1949 | 2.50 | ................ | 3,823,700.00 |
| 30 | Series G-1950 | 2.50 | ................ | 3,886,000.00 |
| 30 | Series G-1951 | 2.50 | ................ | 2,111,100.00 |
| 30 | Series G-1952 | 2.50 | ................ | 682,500.00 |
| 30 | Unclassified sales and redemptions | ..... | ................ | 8,713,600.00 |
| 30 | Series H-1952 | 3.00 | 7,500.00 | 726,500.00 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | United States savings bonds[5]—Continued | *Percent* | | |
| Nov. 30 | Series H-1953 | 3.00 | $40,625,000.00 | $896,000.00 |
| 30 | Series J-1952 | 2.76 | 194,041.20 | 266,203.08 |
| 30 | Series J-1953 | 2.76 | 10,276,508.80 | 372,361.92 |
| 30 | Series K-1952 | 2.76 | 2,000.00 | 999,000.00 |
| 30 | Series K-1953 | 2.76 | 19,173,000.00 | 472,500.00 |
| 30 | Depositary bonds, First Series | 2.00 | 559,000.00 | 2,535,000.00 |
| | Treasury savings notes: | | | |
| 30 | Series D-1953 | 1.40 | ........ | [10] 7,688,900.00 |
| 30 | Series D-1954 | 1.40 | ........ | 768,100.00 |
| 30 | Series A-1954 | 1.88 | ........ | 5,862,000.00 |
| 30 | Series A-1955 | 1.88 | ........ | 8,000,900.00 |
| 30 | Series A-1956 | 1.88 | ........ | 3,323,500.00 |
| 30 | Series B-1955 | 2.47 | ........ | 29,432,300.00 |
| 30 | Series C-1955-A | 2.21 | 1,900,000.00 | ........ |
| 30 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1958 | 2-3/4 | ........ | 160,000.00 |
| 30 | Treasury notes, Series EA-1958 | 1-1/2 | 160,000.00 | ........ |
| 30 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1958 | 2-3/4 | ........ | 12,441,000.00 |
| 30 | Treasury notes, Series EO-1958 | 1-1/2 | 12,441,000.00 | ........ |
| 30 | Miscellaneous | ........ | ........ | 503,537,700.00 |
| | Total, November | ........ | 8,725,281,154.88 | 7,014,773,308.21 |
| | Treasury notes, Series A-1953: | | | |
| Dec. 1 | Redeemed in exchange for Treasury notes, Series B-1954 | 2-1/8 | ........ | 8,175,143,000.00 |
| | Redeemable for cash | ........ | ........ | 118,286,000.00 |
| 1 | Treasury notes, Series B-1954 | 1-7/8 | 8,175,143,000.00 | ........ |
| | Treasury notes, Series A-1953: | | | |
| 1 | Redeemed in exchange for Treasury bonds of 1958 | 2-1/8 | ........ | 1,748,238,000.00 |
| 1 | Treasury bonds of 1958 (additional issue) | 2-1/2 | 1,748,238,000.00 | ........ |
| | Treasury bills: | | | |
| 3 | Issued Sept. 3, 1953: | | | |
| | Redeemed in exchange for series dated Dec. 3, 1953 | 1.961 | ........ | 205,128,000.00 |
| | Redeemable for cash | ........ | ........ | 1,295,354,000.00 |
| 3 | Maturing Mar. 4, 1954: | | | |
| | Issued in exchange for series dated Sept. 3, 1953 | 1.589 | 205,128,000.00 | ........ |
| | Issued for cash | ........ | 1,295,134,000.00 | ........ |
| 10 | Issued Sept. 10, 1953: | | | |
| | Redeemed in exchange for series dated Dec. 10, 1953 | 1.953 | ........ | 154,767,000.00 |
| | Redeemable for cash | ........ | ........ | 1,345,741,000.00 |
| 10 | Maturing Mar. 11, 1954: | | | |
| | Issued in exchange for series dated Sept. 10, 1953 | 1.603 | 154,767,000.00 | ........ |
| | Issued for cash | ........ | 1,345,922,000.00 | ........ |
| 17 | Issued Sept. 17, 1953: | | | |
| | Redeemed in exchange for series dated Dec. 17, 1953 | 1.957 | ........ | 214,727,000.00 |
| | Redeemable for cash | ........ | ........ | 1,285,563,000.00 |
| 17 | Maturing Mar. 18, 1954: | | | |
| | Issued in exchange for series dated Sept. 17, 1953 | 1.682 | 214,727,000.00 | ........ |
| | Issued for cash | ........ | 1,285,811,000.00 | ........ |
| 24 | Issued Sept. 24, 1953: | | | |
| | Redeemed in exchange for series dated Dec. 24, 1953 | 1.634 | ........ | 299,410,000.00 |
| | Redeemable for cash | ........ | ........ | 1,200,538,000.00 |
| 24 | Maturing Mar. 25, 1954: | | | |
| | Issued in exchange for series dated Sept. 24, 1953 | 1.704 | 299,410,000.00 | ........ |
| | Issued for cash | ........ | 1,201,862,000.00 | ........ |
| 31 | Issued Oct. 1, 1953: | | | |
| | Redeemed in exchange for series dated Dec. 31, 1953 | 1.583 | ........ | 316,888,000.00 |
| | Redeemable for cash | ........ | ........ | 1,184,055,000.00 |
| 31 | Maturing Apr. 1, 1954: | | | |
| | Issued in exchange for series dated Oct. 1, 1953 | 1.574 | 316,888,000.00 | ........ |
| | Issued for cash | ........ | 1,185,382,000.00 | ........ |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1953 | | | | |
| Dec. 31 | United States savings bonds:[5] | *Percent* | | |
| 31 | Series E-1941 | [6] 2.90 | $3,317,540.81 | $4,919,938.64 |
| 31 | Series E-1942 | [7] 2.90 | 8,106,048.67 | 25,668,271.42 |
| 31 | Series E-1943 | [8] 2.90 | 10,402,381.25 | 86,344,457.68 |
| 31 | Series E-1944 | 2.90 | 34,683,784.83 | 22,387,158.19 |
| 31 | Series E-1945 | 2.90 | 26,134,580.75 | 16,565,359.28 |
| 31 | Series E-1946 | 2.90 | 9,827,804.30 | 7,962,063.05 |
| 31 | Series E-1947 | 2.90 | 6,721,530.15 | 7,952,516.90 |
| 31 | Series E-1948 | 2.90 | 5,663,099.25 | 9,351,012.15 |
| 31 | Series E-1949 | 2.90 | 5,654,728.24 | 10,595,276.58 |
| 31 | Series E-1950 | 2.90 | 4,841,122.91 | 11,578,201.65 |
| 31 | Series E-1951 | 2.90 | 2,349,513.73 | 14,575,948.08 |
| 31 | Series E-1952 (Jan. to Apr.) | 2.90 | [11] 58,966.01 | 6,620,897.61 |
| 31 | Series E-1952 (May to Dec.) | 3.00 | 5,493,723.42 | 20,046,094.60 |
| 31 | Series E-1953 | 3.00 | 333,482,532.80 | 95,828,638.05 |
| 31 | Unclassified sales and redemptions | ... | 2,432,349.68 | 9,653,723.95 |
| 31 | Series F-1941 | 2.53 | 691,151.00 | 78,850,795.50 |
| 31 | Series F-1942 | 2.53 | 1,472,671.85 | 2,287,563.53 |
| 31 | Series F-1943 | 2.53 | 622,482.77 | 2,400,554.43 |
| 31 | Series F-1944 | 2.53 | 2,666,657.12 | 1,982,597.18 |
| 31 | Series F-1945 | 2.53 | 3,633,208.46 | 1,832,277.89 |
| 31 | Series F-1946 | 2.53 | 667,577.07 | 1,486,241.45 |
| 31 | Series F-1947 | 2.53 | 609,747.31 | 1,345,456.03 |
| 31 | Series F-1948 | 2.53 | 489,047.60 | 1,110,923.60 |
| 31 | Series F-1949 | 2.53 | 376,001.32 | 989,289.10 |
| 31 | Series F-1950 | 2.53 | 489,973.02 | 916,401.21 |
| 31 | Series F-1951 | 2.53 | 97,893.52 | 759,060.67 |
| 31 | Series F-1952 | 2.53 | [11] 220.13 | 175,261.00 |
| 31 | Unclassified sales and redemptions | ... | 2,016.50 | 2,088,098.25 |
| 31 | Series G-1941 | 2.50 | ... | 143,538,200.00 |
| 31 | Series G-1942 | 2.50 | ... | 5,450,600.00 |
| 31 | Series G-1943 | 2.50 | ... | 7,212,400.00 |
| 31 | Series G-1944 | 2.50 | ... | 8,434,600.00 |
| 31 | Series G-1945 | 2.50 | ... | 8,891,600.00 |
| 31 | Series G-1946 | 2.50 | ... | 8,861,400.00 |
| 31 | Series G-1947 | 2.50 | ... | 6,071,000.00 |
| 31 | Series G-1948 | 2.50 | ... | 5,057,400.00 |
| 31 | Series G-1949 | 2.50 | ... | 4,077,300.00 |
| 31 | Series G-1950 | 2.50 | ... | 4,960,300.00 |
| 31 | Series G-1951 | 2.50 | ... | 1,993,400.00 |
| 31 | Series G-1952 | 2.50 | ... | 611,300.00 |
| 31 | Unclassified sales and redemptions | ... | ... | 431,700.00 |
| 31 | Series H-1952 | 3.00 | ... | 849,000.00 |
| 31 | Series H-1953 | 3.00 | 47,033,500.00 | 1,197,000.00 |
| 31 | Series J-1952 | 2.76 | 178,313.71 | 345,981.51 |
| 31 | Series J-1953 | 2.76 | 13,684,012.30 | 182,617.37 |
| 31 | Series K-1952 | 2.76 | 1,000.00 | 912,500.00 |
| 31 | Series K-1953 | 2.76 | 28,154,000.00 | 480,000.00 |
| 31 | Depositary bonds, First Series | 2.00 | 255,000.00 | 36,861,500.00 |
| | Treasury savings notes: | | | |
| 31 | Series D-1953 | 1.40 | ... | [10] 25,655,300.00 |
| 31 | Series D-1954 | 1.40 | ... | 1,375,200.00 |
| 31 | Series A-1954 | 1.88 | ... | 32,818,500.00 |
| 31 | Series A-1955 | 1.88 | ... | 20,442,000.00 |
| 31 | Series A-1956 | 1.88 | ... | 7,607,900.00 |
| 31 | Series B-1955 | 2.47 | 25,000.00 | 67,024,500.00 |
| 31 | Series C-1955-A | 2.21 | ... | 23,849,400.00 |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1958 | 2-3/4 | ... | 25,000.00 |
| 31 | Treasury notes, Series EA-1958 | 1-1/2 | 25,000.00 | ... |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1958 | 2-3/4 | ... | 23,483,000.00 |
| 31 | Treasury notes, Series EO-1958 | 1-1/2 | 23,483,000.00 | ... |
| 31 | Miscellaneous | ... | ... | 4,501,500.00 |
| | Total, December | ... | 18,012,120,808.20 | 18,443,314,176.55 |
| 1954 | | | | |
| Jan. 1 | Postal savings bonds, 46th Series | 2-1/2 | ... | 10,526,560.00 |
| | Treasury bills: | | | |
| 7 | Issued Oct. 8, 1953: | | | |
| | Redeemed in exchange for series dated Jan. 7, 1954 | 1.397 | ... | 191,514,000.00 |
| | Redeemable for cash | ... | ... | 1,309,306,000.00 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | Treasury bills--Continued | | | |
| Jan. 7 | Maturing Apr. 8, 1954: | | | |
| | Issued in exchange for series dated | Percent | | |
| | Oct. 8, 1953 | 1.314 | $191,514,000.00 | ................ |
| | Issued for cash | ..... | 1,308,775,000.00 | ................ |
| 14 | Issued Oct. 15, 1953: | | | |
| | Redeemed in exchange for series dated | | | |
| | Jan. 14, 1954 | 1.438 | ................ | $120,727,000.00 |
| | Redeemable for cash | ..... | ................ | 1,380,717,000.00 |
| 14 | Maturing Apr. 15, 1954: | | | |
| | Issued in exchange for series dated | | | |
| | Oct. 15, 1953 | 1.336 | 120,727,000.00 | ................ |
| | Issued for cash | ..... | 1,379,701,000.00 | ................ |
| 21 | Issued Oct. 22, 1953: | | | |
| | Redeemed in exchange for series | | | |
| | dated Jan. 21, 1954 | 1.372 | ................ | 137,489,000.00 |
| | Redeemable for cash | ..... | ................ | 1,363,260,000.00 |
| 21 | Maturing Apr. 22, 1954: | | | |
| | Issued in exchange for series dated | | | |
| | Oct. 22, 1953 | 1.208 | 137,489,000.00 | ................ |
| | Issued for cash | ..... | 1,364,472,000.00 | ................ |
| 28 | Issued Oct. 29, 1953: | | | |
| | Redeemed in exchange for series dated | | | |
| | Jan. 28, 1954 | 1.220 | ................ | 235,278,000.00 |
| | Redeemable for cash | ..... | ................ | 1,264,601,000.00 |
| 28 | Maturing Apr. 29, 1954: | | | |
| | Issued in exchange for series dated | | | |
| | Oct. 29, 1953 | 0.998 | 235,278,000.00 | ................ |
| | Issued for cash | ..... | 1,265,035,000.00 | ................ |
| | United States savings bonds:[5] | | | |
| 31 | Series E-1941 | [6] 2.90 | 821,377.82 | 4,707,199.17 |
| 31 | Series E-1942 | [7] 2.90 | 7,215,127.61 | 22,995,064.42 |
| 31 | Series E-1943 | [6] 2.95 | 8,915,660.86 | 71,649,988.75 |
| 31 | Series E-1944 | [8] 2.90 | 27,300,346.99 | 32,980,735.40 |
| 31 | Series E-1945 | 2.90 | 13,227,346.80 | 14,500,757.04 |
| 31 | Series E-1946 | 2.90 | 9,900,467.05 | 6,707,976.40 |
| 31 | Series E-1947 | 2.90 | 11,712,943.80 | 6,737,869.65 |
| 31 | Series E-1948 | 2.90 | 6,145,853.95 | 7,718,688.20 |
| 31 | Series E-1949 | 2.90 | 6,310,104.32 | 8,656,433.00 |
| 31 | Series E-1950 | 2.90 | 5,996,910.56 | 9,511,569.65 |
| 31 | Series E-1951 | 2.90 | 3,914,603.67 | 12,001,617.30 |
| 31 | Series E-1952 (Jan. to Apr.) | 2.90 | 1,424,915.62 | '5,315,969.81 |
| 31 | Series E-1952 (May to Dec.) | 3.00 | 2,495,933.70 | 17,780,207.38 |
| 31 | Series E-1953 | 3.00 | 289,061,499.35 | 93,979,136.10 |
| 31 | Series E-1954 | 3.00 | 73,108,950.00 | ................ |
| 31 | Unclassified sales and redemptions | ..... | 34,656,959.20 | 53,376,794.36 |
| 31 | Series F-1942 | 2.53 | 2,543,486.46 | 18,720,363.50 |
| 31 | Series F-1943 | 2.53 | 1,407,613.08 | 1,428,939.05 |
| 31 | Series F-1944 | 2.53 | 3,355,743.72 | 1,696,950.01 |
| 31 | Series F-1945 | 2.53 | 718,005.54 | 1,105,006.91 |
| 31 | Series F-1946 | 2.53 | 815,117.60 | 1,042,967.97 |
| 31 | Series F-1947 | 2.53 | 1,062,068.39 | 826,544.41 |
| 31 | Series F-1948 | 2.53 | 4,416,357.64 | 1,109,090.74 |
| 31 | Series F-1949 | 2.53 | 683,202.86 | 649,388.31 |
| 31 | Series F-1950 | 2.53 | 541,450.02 | 862,622.94 |
| 31 | Series F-1951 | 2.53 | 203,605.24 | 420,046.06 |
| 31 | Series F-1952 | 2.53 | 75,509.21 | 72,660.16 |
| 31 | Unclassified sales and redemptions | ..... | [9] 2,238.50 | 15,473,031.48 |
| 31 | Series G-1942 | 2.50 | ................ | 126,938,700.00 |
| 31 | Series G-1943 | 2.50 | ................ | 6,392,500.00 |
| 31 | Series G-1944 | 2.50 | ................ | 7,795,100.00 |
| 31 | Series G-1945 | 2.50 | ................ | 5,738,200.00 |
| 31 | Series G-1946 | 2.50 | ................ | 7,298,500.00 |
| 31 | Series G-1947 | 2.50 | ................ | 6,151,100.00 |
| 31 | Series G-1948 | 2.50 | ................ | 4,683,800.00 |
| 31 | Series G-1949 | 2.50 | ................ | 3,214,800.00 |
| 31 | Series G-1950 | 2.50 | ................ | 3,843,300.00 |
| 31 | Series G-1951 | 2.50 | ................ | 2,639,800.00 |
| 31 | Series G-1952 | 2.50 | ................ | 779,600.00 |
| 31 | Unclassified sales and redemptions | ..... | ................ | 70,760,200.00 |
| 31 | Series H-1952 | 3.00 | ................ | 720,500.00 |
| 31 | Series H-1953 | 3.00 | 15,902,500.00 | 1,111,000.00 |
| 31 | Series H-1954 | 3.00 | 38,479,500.00 | ................ |
| 31 | Unclassified sales and redemptions | ..... | 38,258,500.00 | ................ |
| 31 | Series J-1952 | 2.76 | 63,481.80 | 200,971.77 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | United States saving bonds[5]--Continued | *Percent* | | |
| Jan. 31 | Series J-1953 | 2.76 | $6,865,367.22 | $29,577.19 |
| 31 | Series J-1954 | 2.76 | 7,530,768.00 | 165,902.77 |
| 31 | Unclassified sales and redemptions | .... | 8,203,500.00 | ................ |
| 31 | Series K-1952 | 2.76 | ................ | 743,000.00 |
| 31 | Series K-1953 | 2.76 | 10,284,500.00 | 664,500.00 |
| 31 | Series K-1954 | 2.76 | 21,383,500.00 | ................ |
| 31 | Unclassified sales and redemptions | .... | 22,530,000.00 | ................ |
| 31 | Depositary bonds, First Series | 2.00 | 1,213,000.00 | 5,150,000.00 |
| | Treasury savings notes: | | | |
| 31 | Series D-1954 | 1.40 | ................ | 8,732,800.00 |
| 31 | Series A-1954 | 1.88 | ................ | 8,931,000.00 |
| 31 | Series A-1955 | 1.88 | ................ | 7,357,800.00 |
| 31 | Series A-1956 | 1.88 | ................ | 2,884,600.00 |
| 31 | Series B-1955 | 2.47 | ................ | 39,667,000.00 |
| 31 | Series C-1955-A | 2.21 | ................ | 2,246,400.00 |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1958 | 2-3/4 | ................ | 12,839,000.00 |
| 31 | Treasury notes, Series EO-1958 | 1-1/2 | 12,839,000.00 | ................ |
| 31 | Miscellaneous | ..... | ................ | 2,226,300.00 |
| | Total, January | ..... | 6,704,573,539.58 | 6,765,352,129.90 |
| | Treasury bills: | | | |
| Feb. 4 | Issued Nov. 5, 1953: | | | |
| | Redeemed in exchange for series dated Feb. 4, 1954 | 1.306 | ................ | 181,576,000.00 |
| | Redeemable for cash | ..... | ................ | 1,319,045,000.00 |
| 4 | Maturing May 6, 1954: | | | |
| | Issued in exchange for series dated Nov. 5, 1953 | 1.031 | 181,576,000.00 | ................ |
| | Issued for cash | ..... | 1,318,742,000.00 | ................ |
| 11 | Issued Nov. 12, 1953: | | | |
| | Redeemed in exchange for series dated Feb. 11, 1954 | 1.481 | ................ | 210,040,000.00 |
| | Redeemable for cash | ..... | ................ | 1,290,026,000.00 |
| 11 | Maturing May 13, 1954: | | | |
| | Issued in exchange for series dated Nov. 12, 1953 | 0.893 | 210,040,000.00 | ................ |
| | Issued for cash | ..... | 1,291,254,000.00 | ................ |
| | Certificates of indebtedness, Series A-1954: | | | |
| 15 | Redeemed in exchange for certificates Series A-1955 | 2-1/4 | ................ | 5,646,837,000.00 |
| | Redeemable for cash | ..... | ................ | 107,815,000.00 |
| | Treasury notes, Series A-1954: | | | |
| 15 | Redeemed in exchange for certificates Series A-1955 | 1-3/8 | ................ | 1,359,950,000.00 |
| 15 | Certificates of indebtedness, Series A-1955 | 1-5/8 | 7,006,787,000.00 | ................ |
| | Certificates of indebtedness, Series A-1954: | | | |
| 15 | Redeemed in exchange for Treasury bonds of 1961 | 2-1/4 | ................ | 2,359,513,000.00 |
| | Treasury notes, Series A-1954: | | | |
| 15 | Redeemed in exchange for Treasury bonds of 1961 | 1-3/8 | ................ | 3,237,406,000.00 |
| | Treasury bonds of 1952-54 (dated June 26, 1944): | | | |
| 15 | Redeemed in exchange for Treasury bonds of 1961 | 2.00 | ................ | 4,082,910,000.00 |
| | Treasury bonds of 1952-55: | | | |
| 15 | Redeemed in exchange for Treasury bonds of 1961 | 2-1/4 | ................ | 1,127,845,900.00 |
| | Treasury bonds of 1954-56: | | | |
| 15 | Redeemed in exchange for Treasury bonds of 1961 | 2-1/4 | ................ | 369,478,600.00 |
| 15 | Treasury bonds of 1961 | 2-1/2 | 11,177,153,500.00 | ................ |
| | Treasury bills: | | | |
| 18 | Issued Nov. 19, 1953: | | | |
| | Redeemed in exchange for series dated Feb. 18, 1954 | 1.443 | ................ | 190,969,000.00 |
| | Redeemable for cash | ..... | ................ | 1,310,718,000.00 |
| 18 | Maturing May 20, 1954: | | | |
| | Issued in exchange for series dated Nov. 19, 1953 | 1.024 | 190,969,000.00 | ................ |
| | Issued for cash | ..... | 1,308,976,000.00 | ................ |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | Treasury bills--Continued | | | |
| Feb. 25 | Issued Nov. 27, 1953: | | | |
| | Redeemed in exchange for series dated | Percent | | |
| | Feb. 25, 1954 | 1.488 | ... | $224,702,000.00 |
| | Redeemable for cash | ... | ... | 1,276,468,000.00 |
| 25 | Maturing May 27, 1954: | | | |
| | Issued in exchange for series dated | | | |
| | Nov. 27, 1953 | 0.986 | $224,702,000.00 | ... |
| | Issued for cash | ... | 1,276,024,000.00 | ... |
| | United States savings bonds:[5] | | | |
| 28 | Series E-1941 | [6] 2.90 | 554,191.03 | 5,111,853.84 |
| 28 | Series E-1942 | [7] 2.90 | 4,324,880.72 | 26,792,411.93 |
| 28 | Series E-1943 | [6] 2.95 | 7,021,220.38 | 69,514,339.18 |
| 28 | Series E-1944 | [8] 2.90 | 20,157,295.93 | 71,109,403.60 |
| 28 | Series E-1945 | 2.90 | 9,155,305.60 | 16,513,208.58 |
| 28 | Series E-1946 | 2.90 | 7,516,845.70 | 7,848,677.70 |
| 28 | Series E-1947 | 2.90 | 8,136,349.25 | 8,041,888.10 |
| 28 | Series E-1948 | 2.90 | 4,528,027.61 | 9,398,780.30 |
| 28 | Series E-1949 | 2.90 | 4,751,728.46 | 9,891,607.90 |
| 28 | Series E-1950 | 2.90 | 4,388,281.36 | 10,729,913.35 |
| 28 | Series E-1951 | 2.90 | 2,959,491.72 | 12,885,494.54 |
| 28 | Series E-1952 Jan. to Apr | 2.90 | 1,110,492.81 | 5,744,354.65 |
| 28 | Series E-1952 May to Dec | 3.00 | 2,131,084.50 | 15,820,870.40 |
| 28 | Series E-1953 | 3.00 | 85,569,516.45 | 85,993,112.80 |
| 28 | Series E-1954 | 3.00 | 273,597,393.75 | 36,712.50 |
| 28 | Unclassified sales and redemptions | ... | [9] 2,645,125.35 | 3,293,791.24 |
| 28 | Series F-1942 | 2.53 | 1,154,920.88 | 25,923,437.80 |
| 28 | Series F-1943 | 2.53 | 741,362.00 | 1,084,569.99 |
| 28 | Series F-1944 | 2.53 | 1,324,871.31 | 1,568,987.48 |
| 28 | Series F-1945 | 2.53 | 355,341.84 | 914,549.80 |
| 28 | Series F-1946 | 2.53 | 537,388.86 | 1,092,308.47 |
| 28 | Series F-1947 | 2.53 | 549,331.80 | 975,093.86 |
| 28 | Series F-1948 | 2.53 | 488,841.78 | 919,969.99 |
| 28 | Series F-1949 | 2.53 | 377,896.79 | 639,566.26 |
| 28 | Series F-1950 | 2.53 | 293,886.25 | 546,222.18 |
| 28 | Series F-1951 | 2.53 | 127,072.94 | 412,235.01 |
| 28 | Series F-1952 | 2.53 | 48,262.38 | 120,655.20 |
| 28 | Unclassified sales and redemptions | ... | 74.00 | [9] 5,757,573.86 |
| 28 | Series G-1942 | 2.50 | ... | 152,928,300.00 |
| 28 | Series G-1943 | 2.50 | ... | 5,531,800.00 |
| 28 | Series G-1944 | 2.50 | ... | 6,041,900.00 |
| 28 | Series G-1945 | 2.50 | ... | 4,689,600.00 |
| 28 | Series G-1946 | 2.50 | ... | 6,360,600.00 |
| 28 | Series G-1947 | 2.50 | ... | 5,860,100.00 |
| 28 | Series G-1948 | 2.50 | ... | 3,525,600.00 |
| 28 | Series G-1949 | 2.50 | ... | 2,961,300.00 |
| 28 | Series G-1950 | 2.50 | ... | 2,457,000.00 |
| 28 | Series G-1951 | 2.50 | ... | 1,822,600.00 |
| 28 | Series G-1952 | 2.50 | ... | 464,000.00 |
| 28 | Unclassified sales and redemptions | ... | ... | [9] 44,161,000.00 |
| 28 | Series H-1952 | 3.00 | ... | 725,000.00 |
| 28 | Series H-1953 | 3.00 | 2,550,500.00 | 1,338,000.00 |
| 28 | Series H-1954 | 3.00 | 65,002,500.00 | 14,000.00 |
| 28 | Unclassified sales and redemptions | ... | 1,475,500.00 | ... |
| 28 | Series J-1952 | 2.76 | 50,528.37 | 587,286.72 |
| 28 | Series J-1953 | 2.76 | 1,250,617.70 | 355,937.60 |
| 28 | Series J-1954 | 2.76 | 20,454,426.00 | ... |
| 28 | Unclassified sales and redemptions | ... | 3,325,778.00 | [9] 63,004.27 |
| 28 | Series K-1952 | 2.76 | ... | 701,000.00 |
| 28 | Series K-1953 | 2.76 | 2,857,500.00 | 697,500.00 |
| 28 | Series K-1954 | 2.76 | 57,727,500.00 | 22,500.00 |
| 28 | Unclassified sales and redemptions | ... | 7,990,200.00 | ... |
| 28 | Depositary bonds, First Series | 2.00 | 634,000.00 | 1,850,000.00 |
| | Treasury savings notes: | | | |
| 28 | Series D-1954 | 1.40 | ... | [10] 4,156,200.00 |
| 28 | Series A-1954 | 1.88 | ... | 7,092,700.00 |
| 28 | Series A-1955 | 1.88 | ... | 7,970,100.00 |
| 28 | Series A-1956 | 1.88 | ... | 3,238,000.00 |
| 28 | Series B-1955 | 2.47 | ... | 38,741,300.00 |
| 28 | Series C-1955-A | 2.21 | ... | 7,259,500.00 |
| 28 | Treasury bonds, Investment Series B-1975-80: | | | |
| | Redeemed in exchange for Treasury notes, | | | |
| | Series EO-1958 | 2-3/4 | ... | 18,790,000.00 |
| 28 | Treasury notes, Series EO-1958 | 1-1/2 | 18,790,000.00 | ... |
| 28 | Miscellaneous | ... | ... | 4,787,800.00 |
| | Total, February | ... | 24,807,588,780.82 | 24,929,211,562.84 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | | | | |
| | Treasury bills: | | | |
| Mar. 4 | Issued Dec. 3, 1953: | | | |
| | Redeemed in exchange for series dated Mar. 4, 1954 | *Percent* 1.589 | ................ | $186,812,000.00 |
| | Redeemable for cash | ....... | ................ | 1,313,450,000.00 |
| 4 | Maturing June 3, 1954: | | | |
| | Issued in exchange for series dated Dec. 3, 1953 | 1.060 | $186,812,000.00 | ................ |
| | Issued for cash | ....... | 1,314,186,000.00 | ................ |
| 11 | Issued Dec. 10, 1953: | | | |
| | Redeemed in exchange for series dated Mar. 11, 1954 | 1.603 | ................ | 115,761,000.00 |
| | Redeemable for cash | ....... | ................ | 1,384,928,000.00 |
| 11 | Maturing June 10, 1954: | | | |
| | Issued in exchange for series dated Dec. 10, 1953 | 1.065 | 115,761,000.00 | ................ |
| | Issued for cash | ....... | 1,385,378,000.00 | ................ |
| | Treasury notes, Series A-1954: | | | |
| 15 | Redeemable for cash | 1-3/8 | ................ | 77,711,000.00 |
| | Treasury bills: | | | |
| 18 | Issued Dec. 17, 1953: | | | |
| | Redeemed in exchange for series dated Mar. 18, 1954 | 1.682 | ................ | 200,650,000.00 |
| | Redeemable for cash | ....... | ................ | 1,299,888,000.00 |
| 18 | Maturing June 17, 1954: | | | |
| | Issued in exchange for series dated Dec. 17, 1953 | 1.056 | 200,650,000.00 | ................ |
| | Issued for cash | ....... | 1,300,398,000.00 | ................ |
| | Treasury bills (tax anticipation series): | | | |
| 22 | Maturing June 24, 1954: | | | |
| | Issued for cash | 0.956 | 1,500,659,000.00 | ................ |
| | Certificates of indebtedness, Series C-1954 (tax anticipation series): | | | |
| 22 | Issued July 15, 1953: | | | |
| | Redeemable for cash | 2-1/2 | ................ | 5,901,636,000.00 |
| | Treasury bills: | | | |
| 25 | Issued Dec. 24, 1953: | | | |
| | Redeemed in exchange for series dated Mar. 25, 1954 | 1.704 | ................ | 208,567,000.00 |
| | Redeemable for cash | ....... | ................ | 1,292,705,000.00 |
| 25 | Maturing June 24, 1954: | | | |
| | Issued in exchange for series dated Dec. 24, 1953 | 1.030 | 208,567,000.00 | ................ |
| | Issued for cash | ....... | 1,292,623,000.00 | ................ |
| | United States savings bonds:[5] | | | |
| 31 | Series E-1941 | [6] 2.90 | 484,680.69 | 5,112,754.43 |
| 31 | Series E-1942 | [7] 2.90 | 4,631,075.48 | 28,678,503.04 |
| 31 | Series E-1943 | [6] 2.95 | 17,844,307.64 | 65,380,229.69 |
| 31 | Series E-1944 | [8] 2.90 | 9,040,907.58 | 95,861,824.60 |
| 31 | Series E-1945 | 2.90 | 8,286,084.65 | 19,634,813.75 |
| 31 | Series E-1946 | 2.90 | 7,152,282.55 | 9,319,980.30 |
| 31 | Series E-1947 | 2.90 | 8,092,513.37 | 9,842,597.70 |
| 31 | Series E-1948 | 2.90 | 4,207,025.32 | 10,800,844.20 |
| 31 | Series E-1949 | 2.90 | 4,559,284.28 | 11,999,015.25 |
| 31 | Series E-1950 | 2.90 | 4,299,198.52 | 12,795,943.70 |
| 31 | Series E-1951 | 2.90 | 2,932,994.38 | 16,113,313.73 |
| 31 | Series E-1952 (Jan. to Apr.) | 2.90 | 1,092,762.12 | 6,843,789.25 |
| 31 | Series E-1952 (May to Dec.) | 3.00 | 2,059,928.35 | 19,510,559.61 |
| 31 | Series E-1953 | 3.00 | 26,002,960.80 | 109,417,325.15 |
| 31 | Series E-1954 | 3.00 | 417,497,856.25 | 11,255,662.50 |
| 31 | Unclassified sales and redemptions | ....... | [9] 40,131,607.95 | [9] 28,107,340.01 |
| 31 | Series F-1942 | 2.53 | 1,344,336.44 | 26,491,154.35 |
| 31 | Series F-1943 | 2.53 | 2,568,528.14 | 2,406,939.32 |
| 31 | Series F-1944 | 2.53 | 370,972.62 | 2,389,980.32 |
| 31 | Series F-1945 | 2.53 | 316,626.64 | 1,409,035.12 |
| 31 | Series F-1946 | 2.53 | 481,349.88 | 1,186,659.44 |
| 31 | Series F-1947 | 2.53 | 583,766.78 | 1,061,695.22 |
| 31 | Series F-1948 | 2.53 | 448,773.30 | 1,534,987.11 |
| 31 | Series F-1949 | 2.53 | 384,432.63 | 1,095,199.61 |
| 31 | Series F-1950 | 2.53 | 265,069.07 | 1,002,663.18 |
| 31 | Series F-1951 | 2.53 | 110,103.44 | 773,328.98 |
| 31 | Series F-1952 | 2.53 | 40,751.20 | 165,188.54 |
| 31 | Unclassified sales and redemptions | ....... | 980.50 | [9] 9,268,971.97 |
| 31 | Series G-1942 | 2.50 | ................ | 120,100,300.00 |
| 31 | Series G-1943 | 2.50 | ................ | 6,226,700.00 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | United States savings bonds[5]--Continued | *Percent* | | |
| Mar. 31 | Series G-1944 | 2.50 | ................ | $5,913,200.00 |
| 31 | Series G-1945 | 2.50 | ................ | 4,940,100.00 |
| 31 | Series G-1946 | 2.50 | ................ | 6,233,900.00 |
| 31 | Series G-1947 | 2.50 | ................ | 6,594,000.00 |
| 31 | Series G-1948 | 2.50 | ................ | 4,245,900.00 |
| 31 | Series G-1949 | 2.50 | ................ | 3,135,400.00 |
| 31 | Series G-1950 | 2.50 | ................ | 2,447,400.00 |
| 31 | Series G-1951 | 2.50 | ................ | 1,992,300.00 |
| 31 | Series G-1952 | 2.50 | ................ | 627,000.00 |
| 31 | Unclassified sales and redemptions | ....... | ................ | [9] 18,764,600.00 |
| 31 | Series H-1952 | 3.00 | ................ | 838,000.00 |
| 31 | Series H-1953 | 3.00 | $250,500.00 | 1,669,500.00 |
| 31 | Series H-1954 | 3.00 | 91,366,000.00 | 20,000.00 |
| 31 | Unclassified sales and redemptions | ....... | [9] 17,012,100.00 | ................ |
| 31 | Series J-1952 | 2.76 | 78,082.65 | 284,008.85 |
| 31 | Series J-1953 | 2.76 | 223,991.95 | 244,037.12 |
| 31 | Series J-1954 | 2.76 | 34,399,350.00 | 36.00 |
| 31 | Unclassified sales and redemptions | ....... | [9] 1,564,164.00 | [9] 57,699.56 |
| 31 | Series K-1952 | 2.76 | ................ | 884,000.00 |
| 31 | Series K-1953 | 2.76 | 565,000.00 | 588,500.00 |
| 31 | Series K-1954 | 2.76 | 94,895,500.00 | 10,000.00 |
| 31 | Unclassified sales and redemptions | ....... | [9] 550,700.00 | ................ |
| 31 | Depositary bonds, First Series | 2.00 | 1,916,000.00 | 1,670,000.00 |
| | Treasury savings notes: | | | |
| 31 | Series D-1954 | 1.40 | ................ | [10] 7,736,100.00 |
| 31 | Series A-1954 | 1.88 | ................ | 33,185,100.00 |
| 31 | Series A-1955 | 1.88 | ................ | 20,734,100.00 |
| 31 | Series A-1956 | 1.88 | ................ | 9,159,400.00 |
| 31 | Series B-1955 | 2.47 | ................ | 190,897,700.00 |
| 31 | Series C-1955-A | 2.21 | ................ | 44,783,800.00 |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1958 | 2-3/4 | ................ | 24,461,000.00 |
| 31 | Treasury notes, Series EO-1958 | 1-1/2 | 24,461,000.00 | ................ |
| 31 | Miscellaneous | ....... | ................ | 2,318,800.00 |
| | Total, March | ....... | 8,219,030,405.27 | 12,899,933,658.52 |
| | Treasury bills: | | | |
| Apr. 1 | Issued Dec. 31, 1953: | | | |
| | Redeemed in exchange for series dated Apr. 1, 1954 | 1.574 | ................ | 184,323,000.00 |
| | Redeemable for cash | ....... | ................ | 1,317,947,000.00 |
| 1 | Maturing July 1, 1954: | | | |
| | Issued in exchange for series dated Dec. 31, 1953 | 1.063 | 184,323,000.00 | ................ |
| | Issued for cash | ....... | 1,316,349,000.00 | ................ |
| 8 | Issued Jan. 7, 1954: | | | |
| | Redeemed in exchange for series dated Apr. 8, 1954 | 1.314 | ................ | 140,261,000.00 |
| | Redeemable for cash | ....... | ................ | 1,360,028,000.00 |
| 8 | Maturing July 8, 1954: | | | |
| | Issued in exchange for series dated Jan. 7, 1954 | 1.013 | 140,261,000.00 | ................ |
| | Issued for cash | ....... | 1,359,692,000.00 | ................ |
| 15 | Issued Jan. 14, 1954: | | | |
| | Redeemed in exchange for series dated Apr. 15, 1954 | 1.336 | ................ | 146,276,000.00 |
| | Redeemable for cash | ....... | ................ | 1,354,152,000.00 |
| 15 | Maturing July 15, 1954: | | | |
| | Issued in exchange for series dated Jan. 14, 1954 | 1.066 | 146,276,000.00 | ................ |
| | Issued for cash | ....... | 1,354,998,000.00 | ................ |
| 22 | Issued Jan. 21, 1954: | | | |
| | Redeemed in exchange for series dated Apr. 22, 1954 | 1.208 | ................ | 152,476,000.00 |
| | Redeemable for cash | ....... | ................ | 1,349,485,000.00 |
| 22 | Maturing July 22, 1954: | | | |
| | Issued in exchange for series dated Jan. 21, 1954 | 1.027 | 152,476,000.00 | ................ |
| | Issued for cash | ....... | 1,348,976,000.00 | ................ |
| | Treasury bills (tax anticipation): | | | |
| 27 | Maturing June 18, 1954: | | | |
| | Issued for cash | 0.726 | 1,001,083,000.00 | ................ |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | Treasury bills: | | | |
| Apr. 29 | Issued Jan. 28, 1954: | | | |
| | Redeemed in exchange for series dated Apr. 29, 1954 | *Percent* 0.998 | ........ | $210,506,000.00 |
| | Redeemable for cash | ....... | ........ | 1,289,807,000.00 |
| 29 | Maturing July 29, 1954: | | | |
| | Issued in exchange for series dated Jan. 28, 1954 | 0.886 | $210,506,000.00 | ........ |
| | Issued for cash | ....... | 1,292,026,000.00 | ........ |
| | United States savings bonds:[5] | | | |
| 30 | Series E-1941 | [6] 2.90 | 630,351.33 | 4,849,791.16 |
| 30 | Series E-1942 | [7] 2.90 | 5,041,432.67 | 26,147,777.78 |
| 30 | Series E-1943 | [6] 2.95 | 13,355,440.76 | 56,890,200.75 |
| 30 | Series E-1944 | [8] 2.90 | 8,258,102.38 | 68,372,357.45 |
| 30 | Series E-1945 | 2.90 | 10,486,534.60 | 18,146,792.01 |
| 30 | Series E-1946 | 2.90 | 7,355,813.85 | 8,716,727.40 |
| 30 | Series E-1947 | 2.90 | 7,718,808.68 | 8,845,097.63 |
| 30 | Series E-1948 | 2.90 | 4,113,017.46 | 10,414,351.83 |
| 30 | Series E-1949 | 2.90 | 4,253,579.72 | 11,049,208.05 |
| 30 | Series E-1950 | 2.90 | 4,006,913.47 | 11,921,109.45 |
| 30 | Series E-1951 | 2.90 | 2,878,353.16 | 14,745,728.45 |
| 30 | Series E-1952 (Jan. to Apr.) | 2.90 | 945,884.65 | 6,644,776.88 |
| 30 | Series E-1952 (May to Dec.) | 3.00 | 2,478,771.90 | 17,663,489.55 |
| 30 | Series E-1953 | 3.00 | 4,116,299.70 | 78,862,044.00 |
| 30 | Series E-1954 | 3.00 | 339,633,462.50 | 35,220,300.00 |
| 30 | Unclassified sales and redemptions | ....... | [9] 8,933,467.80 | [9] 20,629,318.86 |
| 30 | Series F-1942 | 2.53 | 1,154,627.65 | 20,467,913.92 |
| 30 | Series F-1943 | 2.53 | 2,342,886.95 | 2,232,867.20 |
| 30 | Series F-1944 | 2.53 | 281,605.40 | 1,583,191.23 |
| 30 | Series F-1945 | 2.53 | 440,469.38 | 1,573,577.26 |
| 30 | Series F-1946 | 2.53 | 473,374.50 | 1,553,088.85 |
| 30 | Series F-1947 | 2.53 | 550,974.38 | 1,124,396.89 |
| 30 | Series F-1948 | 2.53 | 359,296.01 | 921,439.84 |
| 30 | Series F-1949 | 2.53 | 311,670.59 | 976,438.43 |
| 30 | Series F-1950 | 2.53 | 1,362,270.51 | 522,764.00 |
| 30 | Series F-1951 | 2.53 | 131,925.63 | 546,097.08 |
| 30 | Series F-1952 | 2.53 | 32,313.00 | 176,052.28 |
| 30 | Unclassified sales and redemptions | ....... | [9] 1,017.50 | [9] 372,165.59 |
| 30 | Series G-1942 | 2.50 | ........ | 96,909,900.00 |
| 30 | Series G-1943 | 2.50 | ........ | 7,093,200.00 |
| 30 | Series G-1944 | 2.50 | ........ | 5,778,900.00 |
| 30 | Series G-1945 | 2.50 | ........ | 4,860,600.00 |
| 30 | Series G-1946 | 2.50 | ........ | 5,611,900.00 |
| 30 | Series G-1947 | 2.50 | ........ | 5,128,400.00 |
| 30 | Series G-1948 | 2.50 | ........ | 3,439,500.00 |
| 30 | Series G-1949 | 2.50 | ........ | 2,815,000.00 |
| 30 | Series G-1950 | 2.50 | ........ | 2,838,000.00 |
| 30 | Series G-1951 | 2.50 | ........ | 1,833,900.00 |
| 30 | Series G-1952 | 2.50 | ........ | 659,100.00 |
| 30 | Unclassified sales and redemptions | ....... | ........ | [9] 1,079,000.00 |
| 30 | Series H-1952 | 3.00 | ........ | 725,000.00 |
| 30 | Series H-1953 | 3.00 | 20,000.00 | 1,719,500.00 |
| 30 | Series H-1954 | 3.00 | 54,543,500.00 | 49,500.00 |
| 30 | Unclassified sales and redemptions | ....... | 4,102,600.00 | ........ |
| 30 | Series J-1952 | 2.76 | 91,378.06 | 360,237.91 |
| 30 | Series J-1953 | 2.76 | 114,143.77 | 374,140.86 |
| 30 | Series J-1954 | 2.76 | 32,076,972.00 | 4,320.00 |
| 30 | Unclassified sales and redemptions | ....... | [9] 2,285,514.00 | [9] 30,281.47 |
| 30 | Series K-1952 | 2.76 | ........ | 690,500.00 |
| 30 | Series K-1953 | 2.76 | 56,000.00 | 774,500.00 |
| 30 | Series K-1954 | 2.76 | 95,189,500.00 | 65,000.00 |
| 30 | Unclassified sales and redemptions | ....... | [9] 3,517,000.00 | ........ |
| 30 | Depositary bonds, First Series | 2.00 | 2,396,000.00 | 1,490,000.00 |
| | Treasury savings notes: | | | |
| 30 | Series D-1954 | 1.40 | ........ | [10] 4,431,500.00 |
| 30 | Series A-1954 | 1.88 | ........ | 14,263,700.00 |
| 30 | Series A-1955 | 1.88 | ........ | 8,413,400.00 |
| 30 | Series A-1956 | 1.88 | ........ | 5,364,900.00 |
| 30 | Series B-1955 | 2.47 | ........ | 39,465,100.00 |
| 30 | Series C-1955-A | 2.21 | ........ | 8,758,300.00 |
| 30 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1958 | 2-3/4 | ........ | 19,852,000.00 |
| 30 | Treasury notes, Series EO-1958 | 1-1/2 | 19,852,000.00 | ........ |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | | | | |
| Apr. 30 | Treasury bonds, Investment Series B-1975-80: | | | |
| | Redeemed in exchange for Treasury notes, | *Percent* | | |
| | Series EA-1959 | 2-3/4 | ........ | $1,701,000.00 |
| 30 | Treasury notes, Series EA-1959 | 1-1/2 | $1,701,000.00 | ........ |
| 30 | Miscellaneous | ........ | ........ | 906,500.00 |
| | Total, April | ........ | 9,125,086,275.36 | 8,139,695,312.22 |
| | Treasury bills: | | | |
| May 6 | Issued Feb. 4, 1954: | | | |
| | Redeemed in exchange for series dated May 6, 1954 | 1.031 | ........ | 178,834,000.00 |
| | Redeemable for cash | ........ | ........ | 1,321,484,000.00 |
| 6 | Maturing Aug. 5, 1954: | | | |
| | Issued in exchange for series dated Feb. 4, 1954 | 0.773 | 178,834,000.00 | ........ |
| | Issued for cash | ........ | 1,323,374,000.00 | ........ |
| 13 | Issued Feb. 11, 1954: | | | |
| | Redeemed in exchange for series dated May 13, 1954 | 0.893 | ........ | 226,715,000.00 |
| | Redeemable for cash | ........ | ........ | 1,274,579,000.00 |
| 13 | Maturing Aug. 12, 1954: | | | |
| | Issued in exchange for series dated Feb. 11, 1954 | 0.824 | 226,715,000.00 | ........ |
| | Issued for cash | ........ | 1,274,134,000.00 | ........ |
| | Certificates of indebtedness, Series B-1954: | | | |
| 17 | Redeemed in exchange for certificates Series B-1955 | 2-5/8 | ........ | 1,786,011,000.00 |
| | Treasury bonds of 1952-54 (dated June 26, 1944): | | | |
| 17 | Redeemed in exchange for certificates Series B-1955 | 2.00 | ........ | 1,505,058,500.00 |
| | Treasury bonds of 1952-55: | | | |
| 17 | Redeemed in exchange for certificates Series B-1955 | 2-1/4 | ........ | 322,221,900.00 |
| | Treasury bonds of 1954-56: | | | |
| 17 | Redeemed in exchange for certificates Series B-1955 | 2-1/4 | ........ | 272,759,600.00 |
| 17 | Certificates of indebtedness, Series B-1955 | 1-1/8 | 3,886,051,000.00 | ........ |
| | Certificates of indebtedness, Series B-1954: | | | |
| 17 | Redeemed in exchange for Treasury notes, Series A-1959 | 2-5/8 | ........ | 2,897,206,000.00 |
| 17 | Treasury notes, Series A-1959; issued for cash | 1-7/8 | 2,897,206,00[illegible]<br>2,205,071,0[illegible] | ........ |
| | Treasury bills: | | | |
| 20 | Issued Feb. 18, 1954: | | | |
| | Redeemed in exchange for series dated May 20, 1954 | 1.024 | ........ | 166,657,000.00 |
| | Redeemable for cash | ........ | ........ | 1,333,288,000.00 |
| 20 | Maturing Aug. 19, 1954: | | | |
| | Issued in exchange for series dated Feb. 18, 1954 | 0.812 | 166,657,000.00 | ........ |
| | Issued for cash | ........ | 1,334,770,000.00 | ........ |
| 27 | Issued Feb. 25, 1954: | | | |
| | Redeemed in exchange for series dated May 27, 1954 | 0.986 | ........ | 250,245,000.00 |
| | Redeemable for cash | ........ | ........ | 1,250,481,000.00 |
| 27 | Maturing Aug. 26, 1954: | | | |
| | Issued in exchange for series dated Feb. 25, 1954 | 0.718 | 250,245,000.00 | ........ |
| | Issued for cash | ........ | 1,252,537,000.00 | ........ |
| | United States savings bonds:[5] | | | |
| 31 | Series E-1941 | [6] 2.90 | 1,199,744.45 | 4,110,083.16 |
| 31 | Series E-1942 | [7] 2.90 | 5,803,414.05 | 22,528,804.18 |
| 31 | Series E-1943 | [6] 2.95 | 7,056,277.62 | 48,088,157.50 |
| 31 | Series E-1944 | [8] 2.90 | 14,557,344.05 | 56,346,316.14 |
| 31 | Series E-1945 | 2.90 | 26,135,346.77 | 16,629,179.93 |
| 31 | Series E-1946 | 2.90 | 7,351,271.95 | 8,117,911.10 |
| 31 | Series E-1947 | 2.90 | 7,097,277.48 | 8,087,300.85 |
| 31 | Series E-1948 | 2.90 | 4,129,095.73 | 9,286,150.65 |
| 31 | Series E-1949 | 2.90 | 4,237,166.68 | 10,324,584.83 |
| 31 | Series E-1950 | 2.90 | 3,889,472.28 | 11,059,587.72 |
| 31 | Series E-1951 | 2.90 | 2,759,040.57 | 13,019,354.96 |
| 31 | Series E-1952 (Jan. to Apr.) | 2.90 | [11] 26,885.38 | 5,822,352.89 |
| 31 | Series E-1952 (May to Dec.) | 3.00 | 4,509,813.65 | 15,518,459.15 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | | | | |
| | United States savings bonds[5]--Continued | *Percent* | | |
| May 31 | Series E-1953 | 3.00 | $5,971,627.75 | $58,327,873.00 |
| 31 | Series E-1954 | 3.00 | 290,341,237.50 | 45,763,987.50 |
| 31 | Unclassified sales and redemptions | ........ | 7,772,156,25 | [9] 3,514,576.09 |
| 31 | Series F-1942 | 2.53 | 1,206,273.45 | 21,213,737.52 |
| 31 | Series F-1943 | 2.53 | 696,941.43 | 1,711,824.01 |
| 31 | Series F-1944 | 2.53 | 935,592.55 | 1,300,458.35 |
| 31 | Series F-1945 | 2.53 | 1,219,186.00 | 1,669,020.54 |
| 31 | Series F-1946 | 2.53 | 455,706.21 | 1,274,677.95 |
| 31 | Series F-1947 | 2.53 | 436,880.48 | 901,874.94 |
| 31 | Series F-1948 | 2.53 | 353,002.26 | 1,346,490.24 |
| 31 | Series F-1949 | 2.53 | 337,503.95 | 833,101.89 |
| 31 | Series F-1950 | 2.53 | 420,521.11 | 1,150,085.05 |
| 31 | Series F-1951 | 2.53 | 118,105.39 | 499,676.22 |
| 31 | Series F-1952 | 2.53 | [11] 211.07 | 183,748.16 |
| 31 | Unclassified sales and redemptions | ........ | 2,201.50 | 931,870.60 |
| 31 | Series G-1942 | 2.50 | ................. | 93,788,200.00 |
| 31 | Series G-1943 | 2.50 | ................. | 5,506,800.00 |
| 31 | Series G-1944 | 2.50 | ................. | 5,732,300.00 |
| 31 | Series G-1945 | 2.50 | ................. | 5,836,800.00 |
| 31 | Series G-1946 | 2.50 | ................. | 6,113,600.00 |
| 31 | Series G-1947 | 2.50 | ................. | 5,191,800.00 |
| 31 | Series G-1948 | 2.50 | ................. | 3,295,400.00 |
| 31 | Series G-1949 | 2.50 | ................. | 3,148,400.00 |
| 31 | Series G-1950 | 2.50 | ................. | 2,680,000.00 |
| 31 | Series G-1951 | 2.50 | ................. | 1,841,300.00 |
| 31 | Series G-1952 | 2.50 | ................. | 626,300.00 |
| 31 | Unclassified sales and redemptions | ........ | ................. | 1,771,200.00 |
| 31 | Series H-1952 | 3.00 | ................. | 637,500.00 |
| 31 | Series H-1953 | 3.00 | ................. | 2,175,500.00 |
| 31 | Series H-1954 | 3.00 | 60,682,500.00 | 27,000.00 |
| 31 | Unclassified sales and redemptions | ........ | [9] 7,532,000.00 | ................. |
| 31 | Series J-1952 | 2.76 | 229,031.65 | 288,726.95 |
| 31 | Series J-1953 | 2.76 | 129,029.95 | 489,660.44 |
| 31 | Series J-1954 | 2.76 | 25,962,624.00 | ................. |
| 31 | Unclassified sales and redemptions | ........ | 1,144,232.00 | 173,096.30 |
| 31 | Series K-1952 | 2.76 | ................. | 820,000.00 |
| 31 | Series K-1953 | 2.76 | [11] 54,000.00 | 1,012,500.00 |
| 31 | Series K-1954 | 2.76 | 85,255,500.00 | 29,500.00 |
| 31 | Unclassified sales and redemptions | ........ | [9] 2,180,000.00 | ................. |
| 31 | Depositary bonds, First Series | 2.00 | 1,477,000.00 | 6,300,000.00 |
| | Treasury savings notes: | | | |
| 31 | Series D-1954 | 1.40 | ................. | [10] 12,075,100.00 |
| 31 | Series A-1954 | 1.88 | ................. | 121,266,500.00 |
| 31 | Series A-1955 | 1.88 | ................. | 1,974,800.00 |
| 31 | Series A-1956 | 1.88 | ................. | 968,500.00 |
| 31 | Series B-1955 | 2.47 | ................. | 18,130,300.00 |
| 31 | Series C-1955-A | 2.21 | ................. | 2,040,100.00 |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EO-1958 | 2-3/4 | ................. | 16,000.00 |
| 31 | Treasury notes, Series EO-1958 | 1-1/2 | 16,000.00 | ................. |
| 31 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1959 | 2-3/4 | ................. | 11,455,000.00 |
| 31 | Treasury notes, Series EA-1959 | 1-1/2 | 11,455,000.00 | ................. |
| 31 | Miscellaneous | ........ | ................. | 653,500.00 |
| | Total, May | ........ | 15,571,144,022.26 | 13,464,137,476.63 |
| June 1 | Certificates of indebtedness, Series B-1954 | 2-5/8 | ................. | 174,956,000.00 |
| | Treasury bills: | | | |
| 3 | Issued Mar. 4, 1954: | | | |
| | Redeemed in exchange for series dated June 3, 1954 | 1.060 | ................. | 275,843,000.00 |
| | Redeemable for cash | ........ | ................. | 1,225,155,000.00 |
| 3 | Maturing Sept. 2, 1954: | | | |
| | Issued in exchange for series dated Mar. 4, 1954 | 0.713 | 275,843,000.00 | ................. |
| | Issued for cash | ........ | 1,224,659,000.00 | ................. |
| 10 | Issued Mar. 11, 1954: | | | |
| | Redeemed in exchange for series dated June 10, 1954 | 1.065 | ................. | 93,716,000.00 |
| | Redeemable for cash | ........ | ................. | 1,407,423,000.00 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1]--Continued.

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | Treasury bills--Continued | | | |
| June 10 | Maturing Sept. 9, 1954: | | | |
| | Issued in exchange for series dated Mar. 11, 1954 | *Percent* 0.617 | $93,716,000.00 | ........ |
| | Issued for cash | ..... | 1,406,474,000.00 | ........ |
| 15 | Treasury bonds: | | | |
| | 1952-54 (dated June 26, 1944) | 2.00 | ........ | $237,491,000.00 |
| | 1952-55 | 2-1/4 | ........ | 50,712,500.00 |
| | 1954-56 | 2-1/4 | ........ | 38,453,650.00 |
| | Treasury bills: | | | |
| 17 | Issued Mar. 18, 1954: | | | |
| | Redeemed in exchange for series dated June 17, 1954 | 1.056 | ........ | 180,272,000.00 |
| | Redeemable for cash | ..... | ........ | 1,320,776,000.00 |
| 17 | Maturing Sept. 16, 1954: | | | |
| | Issued in exchange for series dated Mar. 18, 1954 | 0.633 | 180,272,000.00 | ........ |
| | Issued for cash | ..... | 1,320,331,000.00 | ........ |
| | Treasury bills (tax anticipation series): | | | |
| 18 | Issued Apr. 27, 1954: | | | |
| | Redeemable for cash | 0.726 | ........ | 1,001,083,000.00 |
| 24 | Issued Mar. 22, 1954: | | | |
| | Redeemable for cash | 0.956 | ........ | 1,500,659,000.00 |
| | Treasury bills: | | | |
| 24 | Issued Mar. 25, 1954: | | | |
| | Redeemed in exchange for series dated June 24, 1954 | 1.030 | ........ | 38,460,000.00 |
| | Redeemable for cash | ..... | ........ | 1,462,730,000.00 |
| 24 | Maturing Sept. 23, 1954: | | | |
| | Issued in exchange for series dated Mar. 25, 1954 | 0.634 | 38,460,000.00 | ........ |
| | Issued for cash | ..... | 1,462,513,000.00 | ........ |
| | United States savings bonds:[12] | | | |
| 30 | Series E-1941 | [6] 2.90 | 3,133,102.51 | 3,943,467.81 |
| 30 | Series E-1942 | [7] 2.90 | 7,348,919.21 | 19,974,914.07 |
| 30 | Series E-1943 | [6] 2.95 | 7,402,023.47 | 41,519,817.82 |
| 30 | Series E-1944 | [8] 2.90 | 33,704,908.23 | 57,718,143.55 |
| 30 | Series E-1945 | 2.90 | 25,357,289.23 | 16,077,265.85 |
| 30 | Series E-1946 | 2.90 | 9,572,206.10 | 7,308,801.20 |
| 30 | Series E-1947 | 2.90 | 9,188,346.48 | 7,246,399.30 |
| 30 | Series E-1948 | 2.90 | 5,497,808.63 | 8,197,970.70 |
| 30 | Series E-1949 | 2.90 | 5,473,876.20 | 9,496,942.55 |
| 30 | Series E-1950 | 2.90 | 4,636,593.15 | 10,108,748.25 |
| 30 | Series E-1951 | 2.90 | 3,135,952.14 | 12,005,720.52 |
| 30 | Series E-1952 Jan. to Apr | 2.90 | [11] 29,604.38 | 5,393,898.85 |
| 30 | Series E-1952 May to Dec | 3.00 | 5,541,472.85 | 13,995,591.10 |
| 30 | Series E-1953 | 3.00 | 4,173,963.55 | 47,860,389.95 |
| 30 | Series E-1954 | 3.00 | 313,492,931.25 | 51,354,787.50 |
| 30 | Unclassified sales and redemptions | .... | [9] 2,909,837.76 | 93,611,772.68 |
| 30 | Series F-1942 | 2.53 | 1,547,917.00 | 20,206,721.70 |
| 30 | Series F-1943 | 2.53 | 632,579.96 | 1,785,097.78 |
| 30 | Series F-1944 | 2.53 | 2,791,510.39 | 1,612,172.70 |
| 30 | Series F-1945 | 2.53 | 3,581,664.21 | 1,251,190.33 |
| 30 | Series F-1946 | 2.53 | 636,592.62 | 880,552.89 |
| 30 | Series F-1947 | 2.53 | 583,726.73 | 844,757.70 |
| 30 | Series F-1948 | 2.53 | 505,675.69 | 714,680.49 |
| 30 | Series F-1949 | 2.53 | 400,461.86 | 820,423.38 |
| 30 | Series F-1950 | 2.53 | 568,429.22 | 658,936.38 |
| 30 | Series F-1951 | 2.53 | 112,539.25 | 807,996.31 |
| 30 | Series F-1952 | 2.53 | [11] 695.02 | 191,500.46 |
| 30 | Unclassified sales and redemptions | .... | 2,867.50 | 3,509,371.95 |
| 30 | Series G-1942 | 2.50 | 500.00 | 89,323,400.00 |
| 30 | Series G-1943 | 2.50 | [11] 500.00 | 4,600,100.00 |
| 30 | Series G-1944 | 2.50 | ........ | 5,811,400.00 |
| 30 | Series G-1945 | 2.50 | ........ | 5,406,900.00 |
| 30 | Series G-1946 | 2.50 | ........ | 5,699,800.00 |
| 30 | Series G-1947 | 2.50 | ........ | 4,820,500.00 |
| 30 | Series G-1948 | 2.50 | ........ | 2,904,500.00 |
| 30 | Series G-1949 | 2.50 | ........ | 2,729,400.00 |
| 30 | Series G-1950 | 2.50 | ........ | 2,183,200.00 |
| 30 | Series G-1951 | 2.50 | ........ | 1,532,900.00 |
| 30 | Series G-1952 | 2.50 | ........ | 419,400.00 |
| 30 | Unclassified sales and redemptions | ..... | 422,100.00 | 17,043,800.00 |
| 30 | Series H-1952 | 3.00 | ........ | 752,000.00 |
| 30 | Series H-1953 | 3.00 | ........ | 2,325,000.00 |
| 30 | Series H-1954 | 3.00 | 65,043,500.00 | 7,500.00 |

Footnotes at end of table.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953-June 1954[1] --Continued

| Date | Issue | Rate of interest[2] | Amount issued[3] | Amount matured, or called or redeemed prior to maturity[4] |
|---|---|---|---|---|
| 1954 | United States savings bonds[12]--Continued | Percent | | |
| June 30 | Unclassified sales and redemptions........ | ....... | [9] $1,516,000.00 | $137,000.00 |
| 30 | Series J-1952............................ | 2.76 | 200,141.74 | 611,921.88 |
| 30 | Series J-1953............................ | 2.76 | 196,309.97 | 717,909.84 |
| 30 | Series J-1954............................ | 2.76 | 29,428,866.00 | 117,000.00 |
| 30 | Unclassified sales and redemptions........ | ....... | [9] 100,898.00 | 28,850.53 |
| 30 | Series K-1952............................ | 2.76 | ................ | 708,500.00 |
| 30 | Series K-1953............................ | 2.76 | 10,500.00 | 857,500.00 |
| 30 | Series K-1954............................ | 2.76 | 86,854,000.00 | ................ |
| 30 | Unclassified sales and redemptions........ | ....... | [9] 3,018,500.00 | 79,500.00 |
| 30 | Depositary bonds, First Series............... | 2.00 | 5,045,000.00 | 544,000.00 |
| | Treasury savings notes: | | | |
| 30 | Series A-1954............................ | 1.88 | ................ | [10] 77,171,500.00 |
| 30 | Series A-1955............................ | 1.88 | ................ | 15,956,900.00 |
| 30 | Series A-1956............................ | 1.88 | ................ | 5,175,200.00 |
| 30 | Series B-1955............................ | 2.47 | ................ | 150,455,100.00 |
| 30 | Series C-1955-A.......................... | 2.21 | ................ | 15,751,500.00 |
| 30 | Treasury notes, Series EO-1958............... | 1-1/2 | [11] 3,000.00 | ................ |
| 30 | Treasury bonds, Investment Series B-1975-80: Redeemed in exchange for Treasury notes, Series EA-1959............. | 2-3/4 | ................ | 37,240,000.00 |
| 30 | Treasury notes, Series EA-1959............... | 1-1/2 | 37,240,000.00 | ................ |
| 30 | Miscellaneous................................ | ..... | ................ | 2,211,100.00 |
| | Total, June.............................. | ..... | 6,668,153,239.98 | 9,900,151,466.02 |
| | Total, fiscal year 1954.................. | ..... | 146,092,750,514.44 | 142,834,139,800.58 |

[1] On basis of daily Treasury statements, supplemented by special statements on public debt issues, redemptions and exchanges by the Bureau of the Public Debt.
[2] For Treasury bills, average rates on bank discount basis are shown; for United States savings bonds, approximate yield to maturity is shown.
[3] For United States savings bonds of Series E and F not currently on sale amounts represent accrued discount plus issue price of bonds in adjustment cases; for Series E, F, and J currently on sale, amounts represent issue price plus accrued discount; and for Series G, H, and K, amounts represent issue price at par.
[4] For United States savings bonds of Series E, F, and J, amounts represent current redemption value (issue price plus accrued discount); and for Series G, H, and K, amounts represent redemption value at par.
[5] Includes exchanges of matured bonds of Series E for bonds of Series K that are not classified by yearly series.
[6] Approximate yield if held to end of 10-year extension period.
[7] If held from issue date to end of 10-year extension period, bonds of this series dated January 1, 1942, through April 1, 1942, yield approximately 2.9 percent and those dated May 1, 1942, through December 1, 1942, yield approximately 2.95 percent.
[8] Matured bonds of this series yield approximately 2.95 percent if held from issue date to end of 10-year extension period, and unmatured bonds of this series yield approximately 2.9 percent if held to maturity.
[9] Deduct: Represents excess of amounts transferred from unclassified sales and redemptions to sales and redemptions of designated series over amount received as unclassified sales and redemptions.
[10] Includes securities of certain issue months which have matured.
[11] Deduct.

TABLE 26.--Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1953 - June 1954[1]--Continued

[12] Includes exchanges of matured bonds of Series E for bonds of Series K that are not classified by yearly series, and excludes the following amounts representing issues and retirements upon reissue which were included in the Statement of the Public Debt appearing in the Daily Statement of the United States Treasury June 30, 1954:

| Series | Issues upon reissue | Retirements upon reissue |
|---|---|---|
| E-1941 | $6,243.75 | ... |
| E-1942 | 12,000.00 | ... |
| E-1943 | 18,731.25 | ... |
| E-1944 | 23,756.25 | ... |
| E-1945 | 19,050.00 | ... |
| E-1946 | 15,881.25 | ... |
| E-1947 | 9,843.75 | ... |
| E-1948 | 6,581.25 | ... |
| E-1949 | 6,900.00 | ... |
| E-1950 | 5,306.25 | ... |
| E-1951 | 6,675.00 | ... |
| E-1952 (Jan. to Apr.) | 2,568.75 | ... |
| E-1952 (May to Dec.) | 5,962.50 | ... |
| E-1953 | 5,025.00 | ... |
| E-1954 | 2,250.00 | ... |
| Unclassified | 17,676,382.50 | $17,823,157.50 |
| Total Series E | 17,823,157.50 | 17,823,157.50 |
| F-1942 | 18,870.00 | ... |
| F-1943 | 18,500.00 | ... |
| F-1944 | 18,500.00 | ... |
| F-1945 | 888.00 | ... |
| F-1949 | 7,400.00 | ... |
| F-1951 | 2,220.00 | ... |
| Unclassified | 2,744,160.50 | 2,810,538.50 |
| Total Series F | 2,810,538.50 | 2,810,538.50 |

| Series | Issues upon reissue | Retirements upon reissue |
|---|---|---|
| G-1942 | $570,700.00 | ... |
| G-1943 | 1,212,100.00 | ... |
| G-1944 | 1,689,700.00 | ... |
| G-1945 | 1,889,400.00 | ... |
| G-1946 | 1,610,000.00 | ... |
| G-1947 | 1,200,500.00 | ... |
| G-1948 | 2,431,200.00 | ... |
| G-1949 | 798,800.00 | ... |
| G-1950 | 1,039,800.00 | ... |
| G-1951 | 432,700.00 | ... |
| G-1952 | 86,000.00 | ... |
| Unclassified | ... | $12,960,900.00 |
| Total Series G | 12,960,900.00 | 12,960,900.00 |
| H-1952 | 51,000.00 | ... |
| H-1953 | 156,500.00 | ... |
| H-1954 | 153,500.00 | ... |
| Unclassified | ... | 361,000.00 |
| Total Series H | 361,000.00 | 361,000.00 |
| J-Unclassified | 675,450.00 | 675,450.00 |
| Total Series J | 675,450.00 | 675,450.00 |
| K-1952 | 42,000.00 | ... |
| K-1953 | 119,500.00 | ... |
| K-1954 | 61,500.00 | ... |
| Unclassified | ... | 223,000.00 |
| Total Series K | 223,000.00 | 223,000.00 |
| Total U. S. savings bonds | 34,854,046.00 | 34,854,046.00 |

TABLE 27. --Certificates of indebtedness, special series, issues and redemptions, fiscal year 1954

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

| Date | Issues | Redemptions | Outstanding, end of day | Date | Issues | Redemptions | Outstanding, end of day |
|---|---|---|---|---|---|---|---|
| 1954 | | | | 1954 | | | |
| January 14 | 22 | ........ | 22 | January 25 | ....... | 80 | 203 |
| 15 | 147 | ........ | 169 | 26 | ....... | 200 | 3 |
| 18 | 154 | ........ | 323 | 27 | ....... | 3 | .......... |
| 19 | 101 | ........ | 424 | | | | |
| 20 | ........ | 101 | 323 | March 15 | 134 | ........ | 134 |
| 21 | ........ | 17 | 306 | 16 | 56 | ........ | 190 |
| 22 | ........ | 23 | 283 | 17 | ....... | 190 | .......... |

TABLE 28.--Public debt receipts and expenditures by security classes, monthly for fiscal year 1954 and totals for 1953 and 1954

[On basis of daily Treasury statements, see "Bases of Tables"]

| Receipts (issues) | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Public issues: | | | | | | | |
| Marketable obligations: | | | | | | | |
| Certificates of indebtedness | $5,901,636,000.00 | ... | ... | ... | ... | ... | ... |
| Certificates of indebtedness, special series | ... | ... | ... | ... | ... | ... | $424,000,000.00 |
| Treasury bills | 6,762,009,000.00 | $5,267,264,000.00 | $5,281,229,000.00 | $6,603,704,000.00 | $5,239,547,000.00 | $6,314,111,000.00 | 5,317,983,000.00 |
| Treasury bonds | 10,388,550.00 | 3,194,250.00 | ... | ... | 2,239,262,000.00 | ... | ... |
| Treasury notes | ... | ... | ... | ... | ... | ... | ... |
| Subtotal | 12,674,033,550.00 | 5,270,458,250.00 | 5,281,229,000.00 | 6,603,704,000.00 | 7,478,809,000.00 | 6,314,111,000.00 | 5,741,983,000.00 |
| Exchanges: | | | | | | | |
| Certificates of indebtedness | 375,000.00 | 2,781,117,000.00 | 4,713,523,000.00 | 16,720,000.00 | 866,000.00 | 9,000.00 | ... |
| Treasury bills | 740,499,000.00 | 736,693,000.00 | 719,999,000.00 | 900,131,000.00 | 763,997,000.00 | 1,190,920,000.00 | 685,008,000.00 |
| Treasury bonds | 739,900.00 | ... | ... | ... | ... | 1,748,238,000.00 | ... |
| Treasury notes | 30,109,000.00 | 37,333,000.00 | 3,085,337,000.00 | 158,327,000.00 | 13,220,000.00 | 8,198,739,000.00 | 12,840,000.00 |
| Subtotal | 771,722,900.00 | 3,555,143,000.00 | 8,518,859,000.00 | 1,075,178,000.00 | 778,083,000.00 | 11,137,906,000.00 | 697,848,000.00 |
| Total marketable obligations | 13,445,756,450.00 | 8,825,601,250.00 | 13,800,088,000.00 | 7,678,882,000.00 | 8,256,892,000.00 | 17,452,017,000.00 | 6,439,831,000.00 |
| Nonmarketable obligations: | | | | | | | |
| Adjusted service bonds | 2,500.00 | 2,500.00 | 1,100.00 | 1,800.00 | 3,600.00 | 4,100.00 | 250.00 |
| Armed forces leave bonds | ... | ... | ... | ... | ... | ... | ... |
| Depositary bonds | 4,087,000.00 | 1,272,000.00 | 20,040,000.00 | 532,000.00 | 559,000.00 | 255,000.00 | 1,213,000.00 |
| Excess profits tax refund bonds | ... | ... | ... | ... | a 35.87 | ... | ... |
| Special notes of the United States: | | | | | | | |
| International Monetary Fund series | ... | ... | ... | ... | ... | 60,000,000.00 | 12,000,000.00 |
| Treasury bonds, investment series | ... | ... | ... | ... | ... | ... | ... |
| Treasury savings notes | 471,581,700.00 | 478,751,200.00 | 952,036,900.00 | 686,527,300.00 | 1,900,000.00 | 25,000.00 | ... |
| United States savings bonds: | | | | | | | |
| Issue price | 402,193,677.61 | 371,218,010.48 | 368,102,436.86 | 383,806,128.17 | 368,473,215.92 | 423,157,207.68 | 561,229,600.70 |
| Accrued discount | 124,305,057.36 | 86,949,018.07 | 87,811,787.46 | 83,006,572.08 | 98,872,018.96 | 136,699,100.52 | 126,224,653.38 |
| United States savings stamps | 674,741.55 | 850,903.90 | 813,598.35 | 1,728,896.40 | 1,559,151.25 | 1,454,704.25 | 2,414,726.80 |
| Subtotal | 1,002,844,676.52 | 939,043,632.45 | 1,428,805,822.67 | 1,155,602,696.65 | 471,366,950.26 | 621,595,112.45 | 703,082,230.88 |
| Exchanges: | | | | | | | |
| Treasury bonds, investment series | ... | ... | ... | ... | ... | ... | ... |
| Series G and K savings bonds | 21,000.00 | 147,000.00 | 47,000.00 | 123,500.00 | 70,000.00 | 64,500.00 | 74,500.00 |
| Subtotal | 21,000.00 | 147,000.00 | 47,000.00 | 123,500.00 | 70,000.00 | 64,500.00 | 74,500.00 |
| Total nonmarketable obligations | 1,002,865,676.52 | 939,190,632.45 | 1,428,852,822.67 | 1,155,726,196.65 | 471,436,950.26 | 621,659,612.45 | 703,156,730.88 |
| Total public issues | 14,448,622,126.52 | 9,764,791,882.45 | 15,228,940,822.67 | 8,834,608,196.65 | 8,728,328,950.26 | 18,073,676,612.45 | 7,142,987,730.88 |

| Receipts (issues) | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954 | | |
| Public issues: | | | | | | | |
| Marketable obligations: | | | | | | | |
| Certificates of indebtedness | .......... | .......... | .......... | .......... | .......... | $5,901,636,000.00 | .......... |
| Certificates of indebtedness, special series | .......... | $190,000,000.00 | .......... | .......... | .......... | 614,000,000.00 | $2,550,000,000.00 |
| Treasury bills | $5,194,996,000.00 | 6,793,244,000.00 | $7,673,124,000.00 | $5,184,815,000.00 | $5,413,977,000.00 | 71,046,003,000.00 | 71,643,561,000.00 |
| Treasury bonds | .......... | .......... | .......... | .......... | .......... | 2,252,844,800.00 | 5,419,998,875.00 |
| Treasury notes | .......... | .......... | .......... | 2,205,071,000.00 | .......... | 2,205,071,000.00 | .......... |
| Subtotal | 5,194,996,000.00 | 6,983,244,000.00 | 7,673,124,000.00 | 7,389,886,000.00 | 5,413,977,000.00 | 82,019,554,800.00 | 79,613,559,875.00 |
| Exchanges: | | | | | | | |
| Certificates of indebtedness | 7,005,573,000.00 | 1,194,000.00 | .......... | 3,882,764,000.00 | 3,233,000.00 | 18,405,374,000.00 | 20,816,424,000.00 |
| Treasury bills | 807,287,000.00 | 711,790,000.00 | 833,842,000.00 | 822,451,000.00 | 588,291,000.00 | 9,500,908,000.00 | 4,191,192,000.00 |
| Treasury bonds | 10,930,116,500.00 | 245,908,500.00 | 1,028,500.00 | 100,000.00 | .......... | 12,926,131,400.00 | 1,036,702,925.00 |
| Treasury notes | 18,790,000.00 | 24,461,000.00 | 21,553,000.00 | 2,908,609,000.00 | 37,305,000.00 | 14,546,623,000.00 | [1]11,462,182,000.00 |
| Subtotal | 18,761,766,500.00 | 983,353,500.00 | 856,423,500.00 | 7,613,924,000.00 | 628,829,000.00 | 55,379,036,400.00 | 37,506,500,925.00 |
| Total marketable obligations | 23,956,762,500.00 | 7,966,597,500.00 | 8,529,547,500.00 | 15,003,810,000.00 | 6,042,806,000.00 | 137,398,591,200.00 | 117,120,060,800.00 |
| Nonmarketable obligations: | | | | | | | |
| Adjusted service bonds | 800.00 | 4,300.00 | 1,650.00 | 850.00 | 3,550.00 | 27,000.00 | 20,900.00 |
| Armed forces leave bonds | .......... | .......... | .......... | .......... | .......... | .......... | [a] 725.00 |
| Depositary bonds | 634,000.00 | 1,916,000.00 | 2,396,000.00 | 1,477,000.00 | 5,045,000.00 | 39,426,000.00 | 102,524,000.00 |
| Excess profits tax refund bonds | .......... | .......... | .......... | .......... | .......... | [a] 35.87 | [a] 238.91 |
| Special notes of the United States: | | | | | | | |
| International Monetary Fund series | .......... | 39,000,000.00 | 5,000,000.00 | 33,000,000.00 | .......... | 149,000,000.00 | 118,000,000.00 |
| Treasury bonds, investment series | .......... | .......... | .......... | .......... | .......... | .......... | 35,635,000.00 |
| Treasury savings notes | .......... | .......... | .......... | .......... | .......... | 2,590,822,100.00 | 4,224,461,900.00 |
| United States savings bonds: | | | | | | | |
| Issue price | 515,108,480.65 | 601,778,926.30 | 511,230,774.45 | 463,771,151.00 | 522,691,636.49 | 5,492,761,246.31 | 4,559,843,764.92 |
| Accrued discount | 86,661,616.67 | 85,641,952.47 | 82,888,774.91 | 98,781,371.26 | 135,704,149.49 | 1,233,546,072.63 | 1,228,577,212.68 |
| United States savings stamps | 1,729,477.25 | 1,743,475.35 | 1,885,775.40 | 1,187,806.40 | 1,065,620.40 | 17,108,877.30 | 17,792,549.35 |
| Subtotal | 604,134,374.57 | 730,084,654.12 | 603,402,974.76 | 598,218,178.66 | 664,509,956.38 | 9,522,691,260.37 | 10,286,854,363.04 |
| Exchanges: | | | | | | | |
| Treasury bonds, investment series | .......... | .......... | .......... | .......... | .......... | .......... | 131,724,000.00 |
| Series G and K savings bonds | 168,000.00 | 187,000.00 | 51,500.00 | 49,500.00 | 61,500.00 | 1,065,000.00 | 2,265,000.00 |
| Subtotal | 168,000.00 | 187,000.00 | 51,500.00 | 49,500.00 | 61,500.00 | 1,065,000.00 | 133,989,000.00 |
| Total nonmarketable obligations | 604,302,374.57 | 730,271,654.12 | 603,454,474.76 | 598,267,678.66 | 664,571,456.38 | 9,523,756,260.37 | 10,420,843,363.04 |
| Total public issues | 24,561,064,874.57 | 8,696,869,154.12 | 9,133,001,974.76 | 15,602,077,678.66 | 6,707,377,456.38 | 146,922,347,460.37 | 127,540,904,163.04 |

Footnotes at end of table.

TABLE 28.--Public debt receipts and expenditures by security classes, monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

| Receipts and expenditures | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| RECEIPTS (ISSUES) | | | | | | | |
| Special issues: | | | | | | | |
| Adjusted service certificate fund (certificates) | ... | ... | ... | ... | ... | ... | $4,693,000.00 |
| Civil service retirement fund (certificates) | $39,567,000.00 | $72,816,000.00 | $33,952,000.00 | $34,245,000.00 | $35,529,000.00 | $37,872,000.00 | 38,419,000.00 |
| Civil service retirement fund (notes) | ... | ... | ... | ... | ... | ... | ... |
| Farm tenant mortgage insurance fund (notes) | ... | ... | ... | ... | ... | ... | ... |
| Federal Deposit Insurance Corporation (notes) | ... | ... | ... | 7,500,000.00 | ... | 65,000,000.00 | 61,500,000.00 |
| Federal home loan banks (notes) | ... | ... | ... | 6,700,000.00 | ... | ... | 93,600,000.00 |
| Federal Housing Administration funds (notes) | ... | ... | ... | ... | ... | 700,000.00 | 1,700,000.00 |
| Federal old-age and survivors insurance trust fund (certificates) | 86,700,000.00 | 63,400,000.00 | 71,705,000.00 | 39,400,000.00 | 26,000,000.00 | 186,700,000.00 | ... |
| Federal Savings and Loan Insurance Corporation (notes) | ... | 1,000,000.00 | 1,000,000.00 | 2,000,000.00 | 1,000,000.00 | 3,000,000.00 | 2,500,000.00 |
| Foreign service retirement fund (certificates) | 86,000.00 | 39,000.00 | 57,000.00 | 68,000.00 | 51,000.00 | 86,000.00 | 35,000.00 |
| Foreign service retirement fund (notes) | ... | ... | ... | ... | ... | ... | ... |
| Government life insurance fund (certificates) | ... | ... | ... | ... | ... | ... | ... |
| National service life insurance fund (notes) | ... | 10,000,000.00 | ... | ... | ... | ... | ... |
| Railroad retirement account (notes) | 48,099,000.00 | 94,109,000.00 | 54,088,000.00 | 13,979,000.00 | 90,359,000.00 | 52,911,000.00 | 12,892,000.00 |
| Unemployment trust fund (certificates) | 29,000,000.00 | 245,000,000.00 | ... | 20,000,000.00 | 124,000,000.00 | 98,000,000.00 | ... |
| Veterans special term insurance fund (certificates) | ... | 100,000.00 | 150,000.00 | 150,000.00 | 150,000.00 | 150,000.00 | 200,000.00 |
| Total special issues | 203,452,000.00 | 486,464,000.00 | 160,952,000.00 | 124,042,000.00 | 277,089,000.00 | 444,419,000.00 | 215,539,000.00 |
| Total public debt receipts | 14,652,074,126.52 | 10,251,255,882.45 | 15,389,892,822.67 | 8,958,650,196.65 | 9,005,417,950.26 | 18,518,095,612.45 | 7,358,526,730.88 |
| EXPENDITURES (RETIREMENTS) | | | | | | | |
| Public issues: | | | | | | | |
| Marketable obligations: | | | | | | | |
| Certificates of indebtedness | 4,040,000.00 | 85,689,000.00 | 5,981,000.00 | 1,428,000.00 | 1,179,000.00 | 503,000.00 | 569,000.00 |
| Certificates of indebtedness, special series | ... | ... | ... | ... | ... | ... | 424,000,000.00 |
| Treasury bills | 6,308,421,000.00 | 5,265,789,000.00 | 5,970,051,000.00 | 6,609,570,000.00 | 5,233,449,000.00 | 6,306,094,000.00 | 5,339,829,000.00 |
| Treasury bonds | 8,164,000.00 | 5,116,900.00 | 151,451,600.00 | 55,416,550.00 | 17,938,800.00 | 17,688,900.00 | 12,449,200.00 |
| Treasury notes | 32,500.00 | 63,600.00 | 21,000.00 | 158,400.00 | 500,017,000.00 | 112,245,700.00 | 3,653,900.00 |
| Other | 15,167,818.25 | 690,318.50 | 292,141.75 | 239,540.50 | 158,264.00 | 133,622.50 | 9,114,723.50 |
| Subtotal | 6,335,825,318.25 | 5,357,348,818.50 | 6,127,796,741.75 | 6,666,812,490.50 | 5,752,742,064.00 | 6,436,665,222.50 | 5,789,615,823.50 |

| Receipts and expenditures | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954 | | |
| RECEIPTS (ISSUES) | | | | | | | |
| Special issues: | | | | | | | |
| Adjusted service certificate fund (certificates).. | ............... | ............... | ............... | ............... | ............... | $4,693,000.00 | $5,163,000.00 |
| Civil service retirement fund (certificates)...... | $34,616,000.00 | $33,910,000.00 | $33,361,000.00 | $33,800,000.00 | $2,295,454,000.00 | 2,723,541,000.00 | 846,488,000.00 |
| Civil service retirement fund (notes)............ | ............... | ............... | ............... | ............... | ............... | ............... | 750,666,000.00 |
| Farm tenant mortgage insurance fund (notes)....... | ............... | ............... | ............... | ............... | ............... | ............... | 1,000,000.00 |
| Federal Deposit Insurance Corporation (notes)..... | 5,000,000.00 | ............... | 5,000,000.00 | ............... | 10,400,000.00 | 154,400,000.00 | 147,000,000.00 |
| Federal home loan banks (notes).................. | 59,700,000.00 | 24,200,000.00 | 3,500,000.00 | 7,000,000.00 | 1,000,000.00 | 195,700,000.00 | 57,100,000.00 |
| Federal Housing Administration funds (notes)...... | 4,000,000.00 | 7,850,000.00 | 26,900,000.00 | 5,800,000.00 | 8,000,000.00 | 54,950,000.00 | 47,900,000.00 |
| Federal old-age and survivors insurance trust fund (certificates)........................... | 38,800,000.00 | 165,000,000.00 | 246,000,000.00 | 229,000,000.00 | 17,378,405,000.00 | 18,531,110,000.00 | 16,835,000,000.00 |
| Federal Savings and Loan Insurance Corporation (notes).................................... | 1,000,000.00 | 2,000,000.00 | 1,000,000.00 | 2,000,000.00 | 32,350,000.00 | 48,850,000.00 | 18,340,000.00 |
| Foreign service retirement fund (certificates).... | 57,000.00 | 73,000.00 | 66,000.00 | 41,000.00 | 6,338,000.00 | 6,997,000.00 | 2,855,000.00 |
| Foreign service retirement fund (notes).......... | ............... | ............... | ............... | ............... | ............... | ............... | 779,400.00 |
| Government life insurance fund (certificates)..... | ............... | ............... | ............... | ............... | 1,234,000,000.00 | 1,234,000,000.00 | 1,299,000,000.00 |
| National service life insurance fund (notes)...... | ............... | ............... | ............... | ............... | 2,610,000,000.00 | 2,620,000,000.00 | 1,217,535,000.00 |
| Railroad retirement account (notes).............. | 84,123,000.00 | 62,404,000.00 | 11,450,000.00 | 89,590,000.00 | 234,448,000.00 | 848,452,000.00 | 873,659,000.00 |
| Unemployment trust fund (certificates)........... | ............... | ............... | ............... | 89,000,000.00 | 8,024,000,000.00 | 8,629,000,000.00 | 9,233,000,000.00 |
| Veterans special term insurance fund(certificates) | 300,000.00 | 300,000.00 | 300,000.00 | 300,000.00 | 3,325,000.00 | 5,425,000.00 | 800,000.00 |
| Total special issues.......................... | 227,596,000.00 | 295,737,000.00 | 327,577,000.00 | 456,531,000.00 | 31,837,720,000.00 | 35,057,118,000.00 | 31,336,285,400.00 |
| Total public debt receipts..................... | 24,788,660,874.57 | 8,992,606,154.12 | 9,460,578,974.76 | 16,058,608,678.66 | 38,545,097,456.38 | 181,979,465,460.37 | 158,877,189,563.04 |
| EXPENDITURES (RETIREMENTS) | | | | | | | |
| Public issues: | | | | | | | |
| Marketable obligations: | | | | | | | |
| Certificates of indebtedness................. | 93,329,000.00 | 5,714,039,000.00 | 185,667,000.00 | 10,379,000.00 | 168,518,000.00 | 6,271,321,000.00 | 1,852,785,700.00 |
| Certificates of indebtedness, special series.. | ............... | 190,000,000.00 | ............... | ............... | ............... | 614,000,000.00 | 2,550,000,000.00 |
| Treasury bills............................... | 5,183,980,000.00 | 5,300,651,000.00 | 6,671,171,000.00 | 5,189,028,000.00 | 7,884,075,000.00 | 71,262,108,000.00 | 69,188,484,000.00 |
| Treasury bonds............................... | 10,840,900.00 | 7,533,750.00 | 4,476,850.00 | 2,775,300.00 | 202,225,750.00 | 496,078,500.00 | 340,555,600.00 |
| Treasury notes............................... | 1,171,800.00 | 63,972,600.00 | 7,073,100.00 | 3,089,000.00 | 1,194,500.00 | 692,693,100.00 | 1,905,450.00 |
| Other........................................ | 603,099.50 | 366,155.25 | 159,205.50 | 158,397.75 | 134,053.00 | 27,217,340.00 | 18,730,266.50 |
| Subtotal................................. | 5,289,924,799.50 | 11,276,562,505.25 | 6,868,547,155.50 | 5,205,429,697.75 | 8,256,147,303.00 | 79,363,417,940.00 | 73,952,461,016.50 |

TABLE 28.--Public debt receipts and expenditures by security classes, monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

| Expenditures (retirements) | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Public issues--Continued | | | | | | | |
| Marketable obligations--Continued | | | | | | | |
| Exchanges: | | | | | | | |
| Certificates of indebtedness | ................ | $2,781,117,000.00 | $7,109,000.00 | ................ | ................ | ................ | ................ |
| Treasury bills | $740,499,000.00 | 736,693,000.00 | 719,999,000.00 | $900,131,000.00 | $763,997,000.00 | $1,190,920,000.00 | $685,008,000.00 |
| Treasury bonds | 375,000.00 | ................ | 7,686,824,000.00 | 32,176,000.00 | 1,485,000.00 | 97,000.00 | 1,000.00 |
| Treasury notes | ................ | ................ | ................ | ................ | ................ | 9,923,381,000.00 | ................ |
| Subtotal | 740,874,000.00 | 3,517,810,000.00 | 8,413,932,000.00 | 932,307,000.00 | 765,482,000.00 | 11,114,398,000.00 | 685,009,000.00 |
| Total marketable obligations | 7,076,699,318.25 | 8,875,158,818.50 | 14,541,728,741.75 | 7,599,119,490.50 | 6,518,224,064.00 | 17,551,063,222.50 | 6,474,624,823.50 |
| Nonmarketable obligations: | | | | | | | |
| Adjusted service bonds | 46,800.00 | 47,000.00 | 52,900.00 | 39,700.00 | 41,825.00 | 50,350.00 | 43,325.00 |
| Armed forces leave bonds | 1,391,500.00 | 1,145,925.00 | 1,319,800.00 | 1,288,550.00 | 940,075.00 | 1,179,475.00 | 1,069,450.00 |
| Depositary bonds | 6,558,000.00 | 3,971,000.00 | 2,728,000.00 | 5,101,000.00 | 2,535,000.00 | 36,861,500.00 | 5,150,000.00 |
| Excess profits tax refund bonds | 10,325.13 | 8,208.79 | 12,999.81 | 60,880.25 | 9,272.64 | 9,898.96 | 7,127.96 |
| Special notes of the United States: | | | | | | | |
| International Monetary Fund series | ................ | 11,000,000.00 | 11,000,000.00 | ................ | ................ | ................ | ................ |
| Treasury bonds, investment series | 26,768,000.00 | 346,000.00 | 175,000.00 | 6,046,000.00 | 319,000.00 | 680,000.00 | 106,000.00 |
| Treasury tax and savings notes: | | | | | | | |
| Cash redemptions | 185,232,975.00 | 194,213,425.00 | 111,232,875.00 | 52,762,325.00 | 42,344,050.00 | 67,013,975.00 | 60,485,300.00 |
| Received for taxes | 33,947,500.00 | 13,918,900.00 | 178,848,650.00 | 15,522,850.00 | 12,994,775.00 | 99,884,175.00 | 12,646,975.00 |
| United States savings bonds: | | | | | | | |
| Matured: | | | | | | | |
| Issue price | 60,762,491.00 | 165,272,288.25 | 145,906,390.25 | 198,785,064.00 | 125,993,196.75 | 162,359,196.00 | 257,695,576.25 |
| Accrued discount | 10,166,212.44 | 34,839,012.89 | 32,781,211.26 | 49,277,750.42 | 32,767,749.91 | 34,455,003.70 | 37,705,307.34 |
| Unmatured: | | | | | | | |
| Issue price | 163,428,575.50 | 371,522,935.75 | 364,204,681.50 | 343,245,607.50 | 271,974,550.00 | 289,700,239.75 | 255,876,941.25 |
| Accrued discount | 6,349,267.26 | 22,800,873.60 | 23,002,326.32 | 20,117,300.26 | 14,797,749.92 | 15,739,268.93 | 13,072,066.20 |
| Unclassified[2] | 299,992,229.17 | a 114,254,389.30 | a 52,259,002.96 | a 122,557,925.42 | a 7,170,513.37 | 12,175,521.67 | 139,515,678.86 |
| United States savings stamps | 1,955,441.10 | 1,605,818.85 | 1,257,617.05 | 1,305,019.10 | 1,030,437.75 | 1,161,202.30 | 996,911.70 |
| Subtotal | 796,609,316.60 | 706,436,998.83 | 820,263,448.23 | 570,994,121.11 | 498,577,168.60 | 721,269,806.31 | 784,370,659.56 |
| Exchanges: | | | | | | | |
| Treasury bonds, investment series | 30,109,000.00 | 37,333,000.00 | 104,927,000.00 | 142,871,000.00 | 12,601,000.00 | 23,508,000.00 | 12,839,000.00 |
| Series E savings bonds: | | | | | | | |
| Issue price | 15,750.00 | 110,250.00 | 35,250.00 | 92,625.00 | 52,500.00 | 48,375.00 | 55,875.00 |
| Accrued discount | 5,250.00 | 36,750.00 | 11,750.00 | 30,875.00 | 17,500.00 | 16,125.00 | 18,625.00 |
| Series F and G savings bonds: | | | | | | | |
| Issue price | 689,694.00 | ................ | ................ | ................ | ................ | ................ | ................ |
| Accrued discount | 50,206.00 | ................ | ................ | ................ | ................ | ................ | ................ |
| Subtotal | 30,869,900.00 | 37,480,000.00 | 104,974,000.00 | 142,994,500.00 | 12,671,000.00 | 23,572,500.00 | 12,913,500.00 |
| Total nonmarketable obligations | 827,479,216.60 | 743,916,998.83 | 925,237,448.23 | 713,988,621.11 | 511,248,168.60 | 744,842,306.31 | 797,284,159.56 |
| Total public issues | 7,904,178,534.85 | 9,619,075,817.33 | 15,466,966,189.98 | 8,313,108,111.61 | 7,029,472,232.60 | 18,295,905,528.81 | 7,271,908,983.06 |

| Expenditures (retirements) | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954 | | |
| Public issues--Continued | | | | | | | |
| Marketable obligations--Continued | | | | | | | |
| Exchanges: | | | | | | | |
| Certificates of indebtedness | $7,970,525,000.00 | $35,805,000.00 | ............... | $4,683,169,000.00 | $68,000.00 | $15,477,793,000.00 | $31,530,619,000.00 |
| Treasury bills | 807,287,000.00 | 711,790,000.00 | $833,842,000.00 | 822,451,000.00 | 588,291,000.00 | 9,500,908,000.00 | 4,191,192,000.00 |
| Treasury bonds | 5,393,477,500.00 | 185,628,500.00 | 1,028,500.00 | 2,096,833,000.00 | 3,233,000.00 | 15,401,158,500.00 | 579,324,000.00 |
| Treasury notes | 4,571,687,000.00 | 25,669,000.00 | ............... | ............... | ............... | 14,520,737,000.00 | ............... |
| Subtotal | 18,742,976,500.00 | 958,892,500.00 | 834,870,500.00 | 7,602,453,000.00 | 591,592,000.00 | 54,900,596,500.00 | 36,301,135,000.00 |
| Total marketable obligations | 24,032,901,299.50 | 12,235,455,005.25 | 7,703,417,655.50 | 12,807,882,697.75 | 8,847,739,303.00 | 134,264,014,440.00 | 110,253,596,016.50 |
| Nonmarketable obligations: | | | | | | | |
| Adjusted service bonds | 39,950.00 | 50,266.00 | 37,884.00 | 32,800.00 | 47,850.00 | 530,650.00 | 606,100.00 |
| Armed forces leave bonds | 1,269,550.00 | 1,283,825.00 | 1,206,325.00 | 1,049,050.00 | 818,150.00 | 13,961,675.00 | 23,705,250.00 |
| Depositary bonds | 1,850,000.00 | 1,670,000.00 | 1,490,000.00 | 6,300,000.00 | 544,000.00 | 74,758,500.00 | 29,011,000.00 |
| Excess profits tax refund bonds | 9,311.45 | 22,595.20 | 25,218.84 | 11,706.82 | 9,048.62 | 196,594.47 | 249,618.99 |
| Special notes of the United States: | | | | | | | |
| International Monetary Fund Series | ............... | ............... | 18,000,000.00 | ............... | ............... | 40,000,000.00 | 90,000,000.00 |
| Treasury bonds, investment series | 330,000.00 | 155,000.00 | 41,000.00 | 247,000.00 | 148,000.00 | 35,361,000.00 | 4,908,000.00 |
| Treasury tax and savings notes: | | | | | | | |
| Cash redemptions | 46,685,200.00 | 101,288,400.00 | 31,172,950.00 | 145,532,575.00 | 75,715,250.00 | 1,113,679,300.00 | 4,306,666,100.00 |
| Received for taxes | 24,453,850.00 | 208,979,050.00 | 50,671,000.00 | 6,234,200.00 | 191,253,725.00 | 849,355,650.00 | 2,081,678,225.00 |
| United States savings bonds: | | | | | | | |
| Matured: | | | | | | | |
| Issue price | 298,334,840.50 | 278,142,537.75 | 217,985,709.00 | 197,714,345.50 | 187,935,490.25 | 2,296,887,125.50 | 1,040,779,380.95 |
| Accrued discount | 48,261,228.14 | 53,624,287.91 | 42,268,152.44 | 36,808,584.21 | 34,980,206.70 | 447,934,707.36 | 301,503,658.54 |
| Unmatured: | | | | | | | |
| Issue price | 245,435,831.00 | 304,879,527.75 | 283,765,905.50 | 261,629,431.75 | 242,290,794.75 | 3,397,955,022.00 | 3,621,227,190.00 |
| Accrued discount | 14,267,225.09 | 17,249,816.65 | 16,027,786.20 | 14,464,964.36 | 13,340,029.16 | 191,228,673.95 | 238,057,267.75 |
| Unclassified[2] | a 46,687,786.89 | a 56,198,611.54 | a 22,110,765.92 | a 638,409.19 | 149,264,341.16 | 179,070,366.27 | 456,393.18 |
| United States savings stamps | 1,216,453.20 | 1,653,524.45 | 1,661,704.45 | 1,392,673.90 | 1,050,281.65 | 16,287,085.50 | 18,294,725.99 |
| Subtotal | 635,465,652.49 | 912,800,219.17 | 642,242,869.51 | 670,778,922.35 | 897,397,167.29 | 8,657,206,350.05 | 11,757,142,910.40 |
| Exchanges: | | | | | | | |
| Treasury bonds, investment series | 18,790,000.00 | 24,461,000.00 | 21,553,000.00 | 11,471,000.00 | 37,237,000.00 | 477,700,000.00 | [1] 920,515,000.00 |
| Series E savings bonds: | | | | | | | |
| Issue price | 126,000.00 | 140,250.00 | 38,625.00 | 37,125.00 | 46,125.00 | 798,750.00 | 1,698,750.00 |
| Accrued discount | 42,000.00 | 46,750.00 | 12,875.00 | 12,375.00 | 15,375.00 | 266,250.00 | 566,250.00 |
| Series F and G savings bonds: | | | | | | | |
| Issue price | ............... | ............... | ............... | ............... | ............... | 689,694.00 | 408,333,736.50 |
| Accrued discount | ............... | ............... | ............... | ............... | ............... | 50,206.00 | 8,241,188.50 |
| Subtotal | 18,958,000.00 | 24,648,000.00 | 21,604,500.00 | 11,520,500.00 | 37,298,500.00 | 479,504,900.00 | 1,339,354,925.00 |
| Total nonmarketable obligations | 654,423,652.49 | 937,448,219.17 | 663,847,369.51 | 682,299,422.35 | 934,695,667.29 | 9,136,711,250.05 | 13,096,497,835.40 |
| Total public issues | 24,687,324,951.99 | 13,172,903,224.42 | 8,367,265,025.01 | 13,490,182,120.10 | 9,782,434,970.29 | 143,400,725,690.05 | 123,350,093,851.90 |

Footnotes at end of table.

TABLE 28.--Public debt receipts and expenditures by security classes, monthly for fiscal year 1954 and totals for 1953 and 1954--Continued

| Expenditures (retirements) | Fiscal year 1954 | | | | | | |
|---|---|---|---|---|---|---|---|
| | July 1953 | August 1953 | September 1953 | October 1953 | November 1953 | December 1953 | January 1954 |
| Special issues: | | | | | | | |
| Adjusted service certificate fund (certificates) | ........ | $50,000.00 | ........ | $50,000.00 | $500,000.00 | ........ | $4,513,000.00 |
| Civil service retirement fund (certificates) | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Civil service retirement fund (notes) | $35,913,000.00 | 35,000,000.00 | $34,955,000.00 | 34,500,000.00 | 34,879,000.00 | $35,000,000.00 | 35,863,000.00 |
| Farm tenant mortgage insurance fund (notes) | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Federal Deposit Insurance Corporation (notes) | ........ | ........ | 30,600,000.00 | ........ | 20,000,000.00 | 55,000,000.00 | ........ |
| Federal home loan banks (notes) | ........ | ........ | ........ | ........ | 4,000,000.00 | ........ | 2,000,000.00 |
| Federal Housing Administration funds (notes) | 25,450,000.00 | ........ | ........ | ........ | ........ | ........ | ........ |
| Federal old-age and survivors insurance trust fund (certificates) | ........ | ........ | ........ | ........ | ........ | ........ | 146,000,000.00 |
| Federal Savings and Loan Insurance Corporation (notes) | 8,800,000.00 | ........ | ........ | ........ | ........ | ........ | ........ |
| Foreign service retirement fund (certificates) | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Foreign service retirement fund (notes) | 170,000.00 | 150,000.00 | 160,000.00 | 170,000.00 | 150,000.00 | 180,000.00 | 300,000.00 |
| Government life insurance fund (certificates) | 4,000,000.00 | ........ | 3,500,000.00 | 66,000,000.00 | 3,500,000.00 | 3,000,000.00 | 2,000,000.00 |
| National service life insurance fund (notes) | ........ | ........ | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 |
| Postal Savings System (notes) | ........ | 17,000,000.00 | 16,000,000.00 | 7,000,000.00 | 36,000,000.00 | 18,000,000.00 | 12,000,000.00 |
| Railroad retirement account (notes) | 41,000,000.00 | 41,000,000.00 | 41,000,000.00 | 40,000,000.00 | 43,000,000.00 | 39,000,000.00 | 41,000,000.00 |
| Unemployment trust fund (certificates) | 32,000,000.00 | ........ | 54,000,000.00 | 37,000,000.00 | ........ | 100,000,000.00 | 150,000,000.00 |
| Veterans special term insurance fund (certificates) | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total special issues | 147,333,000.00 | 93,200,000.00 | 190,215,000.00 | 194,720,000.00 | 152,029,000.00 | 260,180,000.00 | 403,676,000.00 |
| Other obligations (principally national and Federal Reserve Bank notes) | 2,216,490.00 | 2,560,365.00 | 1,542,900.00 | 1,597,235.00 | 1,554,100.00 | 2,473,595.00 | 2,550,205.00 |
| Total public debt expenditures | 8,053,728,024.85 | 9,714,836,182.33 | 15,658,724,089.98 | 8,509,425,346.61 | 7,183,055,332.60 | 18,558,559,123.81 | 7,678,135,188.06 |
| Excess of receipts, or expenditures (-) | 6,598,346,101.67 | 536,419,700.12 | -268,831,267.31 | 449,224,850.04 | 1,822,362,617.66 | -40,463,511.36 | -319,608,457.18 |

| Expenditures (retirements) | Fiscal year 1954 | | | | | Total fiscal year 1954 | Total fiscal year 1953 |
|---|---|---|---|---|---|---|---|
| | February 1954 | March 1954 | April 1954 | May 1954 | June 1954 | | |
| Special issues: | | | | | | | |
| Adjusted service certificate fund (certificates)... | $50,000.00 | ................ | ................ | ................ | ................ | $5,163,000.00 | $5,165,000.00 |
| Civil service retirement fund (certificates)....... | ................ | ................ | ................ | ................ | $1,301,733,000.00 | 1,301,733,000.00 | ................ |
| Civil service retirement fund (notes)............. | 32,500,000.00 | $35,824,000.00 | $35,500,000.00 | $34,873,000.00 | 783,773,000.00 | 1,168,580,000.00 | 1,009,138,000.00 |
| Farm tenant mortgage insurance fund (notes)........ | ................ | ................ | ................ | ................ | ................ | ................ | 1,000,000.00 |
| Federal Deposit Insurance Corporation (notes)...... | ................ | ................ | ................ | 3,600,000.00 | ................ | 109,200,000.00 | 188,600,000.00 |
| Federal home loan banks (notes).................... | ................ | ................ | ................ | 2,100,000.00 | 6,000,000.00 | 14,100,000.00 | 57,600,000.00 |
| Federal Housing Administration funds (notes)....... | ................ | ................ | ................ | ................ | 40,100,000.00 | 65,550,000.00 | 24,950,000.00 |
| Federal old-age and survivors insurance trust fund (certificates)................................. | ................ | ................ | ................ | ................ | 16,862,405,000.00 | 17,008,405,000.00 | 15,350,200,000.00 |
| Federal Savings and Loan Insurance Corporation (notes)....................................... | ................ | ................ | ................ | ................ | 16,350,000.00 | 25,150,000.00 | 36,640,000.00 |
| Foreign service retirement fund (certificates)..... | ................ | ................ | ................ | ................ | 3,554,000.00 | 3,554,000.00 | ................ |
| Foreign service retirement fund (notes)........... | 250,000.00 | 150,000.00 | 200,000.00 | 160,000.00 | 2,303,500.00 | 4,343,500.00 | 4,096,500.00 |
| Government life insurance fund (certificates)...... | 4,000,000.00 | 4,000,000.00 | 4,000,000.00 | 4,000,000.00 | 1,201,000,000.00 | 1,299,000,000.00 | 1,300,500,000.00 |
| National service life insurance fund (notes)....... | 20,000,000.00 | 20,000,000.00 | 20,000,000.00 | 20,000,000.00 | 2,467,000,000.00 | 2,597,000,000.00 | 1,158,700,000.00 |
| Postal Savings System (notes)...................... | 37,000,000.00 | 37,000,000.00 | 21,000,000.00 | 22,000,000.00 | 16,000,000.00 | 239,000,000.00 | 100,000,000.00 |
| Railroad retirement account (notes)................ | 52,595,000.00 | 41,500,000.00 | 40,000,000.00 | 42,000,000.00 | 168,905,000.00 | 631,000,000.00 | 609,000,000.00 |
| Unemployment trust fund (certificates)............ | 20,000,000.00 | 225,000,000.00 | 160,000,000.00 | 10,000,000.00 | 8,104,000,000.00 | 8,892,000,000.00 | 8,691,000,000.00 |
| Veterans special term insurance fund (certificates) | ................ | ................ | ................ | ................ | 2,825,000.00 | 2,825,000.00 | 375,000.00 |
| Total special issues........................... | 166,395,000.00 | 363,474,000.00 | 280,700,000.00 | 138,733,000.00 | 30,975,948,500.00 | 33,366,603,500.00 | 28,536,964,500.00 |
| Other obligations (principally national and Federal Reserve Bank notes).............................. | 1,913,455.00 | 2,399,600.43 | 1,188,000.00 | 1,706,830.00 | 1,896,025.00 | 23,598,800.43 | 24,248,358.00 |
| Total public debt expenditures.................. | 24,855,633,406.99 | 13,538,776,824.85 | 8,649,153,025.01 | 13,630,621,950.10 | 40,760,279,495.29 | 176,790,927,990.48 | 151,911,306,709.90 |
| Excess of receipts, or expenditures (-)............... | -66,972,532.42 | -4,546,170,670.73 | 811,425,949.75 | 2,427,986,728.56 | -2,215,182,038.91 | 5,188,537,469.89 | 6,965,882,853.14 |

[a] Contra entry (deduct).
[1] Includes $713,848,000 exchanged by the Federal Reserve System.
[2] Represents redemptions (all series) not yet classified as between matured and unmatured issues.

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TABLE 29.--Changes in public debt issues, fiscal year 1954

[On basis of Public Debt accounts, see "Bases of Tables"]

| Title | Outstanding June 30, 1953 | Issues during year | Redemptions during year | Transferred to matured debt | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| **INTEREST-BEARING DEBT** | | | | | |
| **Public Issues** | | | | | |
| Marketable: | | | | | |
| Treasury bills (maturity value): | | | | | |
| Series maturing: | | | | | |
| July 2, 1953 | $1,200,547,000.00 | ... | $1,200,540,000.00 | $7,000.00 | ... |
| July 9, 1953 | 1,400,812,000.00 | ... | 1,400,802,000.00 | 10,000.00 | ... |
| July 16, 1953 | 1,400,736,000.00 | ... | 1,400,736,000.00 | ... | ... |
| July 23, 1953 | 1,500,526,000.00 | ... | 1,500,516,000.00 | 10,000.00 | ... |
| July 30, 1953 | 1,499,924,000.00 | ... | 1,499,924,000.00 | ... | ... |
| Aug. 6, 1953 | 1,500,380,000.00 | ... | 1,500,350,000.00 | 30,000.00 | ... |
| Aug. 13, 1953 | 1,500,569,000.00 | ... | 1,500,568,000.00 | 1,000.00 | ... |
| Aug. 20, 1953 | 1,501,213,000.00 | ... | 1,501,213,000.00 | ... | ... |
| Aug. 27, 1953 | 1,500,777,000.00 | ... | 1,500,778,000.00 | [1] 1,000.00 | ... |
| Sept. 3, 1953 | 1,500,301,000.00 | ... | 1,500,301,000.00 | ... | ... |
| Sept. 10, 1953 | 1,399,956,000.00 | ... | 1,399,956,000.00 | ... | ... |
| Sept. 17, 1953 | 1,500,503,000.00 | ... | 1,500,503,000.00 | ... | ... |
| Sept. 18, 1953 (tax anticipation) | 800,464,000.00 | ... | 800,444,000.00 | 20,000.00 | ... |
| Sept. 24, 1953 | 1,500,229,000.00 | ... | 1,500,229,000.00 | ... | ... |
| Oct. 1, 1953 | ... | $1,500,319,000.00 | 1,500,244,000.00 | 75,000.00 | ... |
| Oct. 8, 1953 | ... | 1,501,179,000.00 | 1,501,179,000.00 | ... | ... |
| Oct. 15, 1953 | ... | 1,500,280,000.00 | 1,500,280,000.00 | ... | ... |
| Oct. 22, 1953 | ... | 1,500,620,000.00 | 1,500,540,000.00 | 80,000.00 | ... |
| Oct. 29, 1953 | ... | 1,500,110,000.00 | 1,500,075,000.00 | 35,000.00 | ... |
| Nov. 5, 1953 | ... | 1,500,309,000.00 | 1,500,309,000.00 | ... | ... |
| Nov. 12, 1953 | ... | 1,500,702,000.00 | 1,500,662,000.00 | 40,000.00 | ... |
| Nov. 19, 1953 | ... | 1,501,428,000.00 | 1,501,398,000.00 | 30,000.00 | ... |
| Nov. 27, 1953 | ... | 1,501,518,000.00 | 1,501,483,000.00 | 35,000.00 | ... |
| Dec. 3, 1953 | ... | 1,500,482,000.00 | 1,500,457,000.00 | 25,000.00 | ... |
| Dec. 10, 1953 | ... | 1,500,508,000.00 | 1,500,467,000.00 | 41,000.00 | ... |
| Dec. 17, 1953 | ... | 1,500,290,000.00 | 1,500,266,000.00 | 24,000.00 | ... |
| Dec. 24, 1953 | ... | 1,499,948,000.00 | 1,499,948,000.00 | ... | ... |
| Dec. 31, 1953 | ... | 1,500,943,000.00 | 1,500,935,000.00 | 8,000.00 | ... |
| Jan. 7, 1954 | ... | 1,500,820,000.00 | 1,500,820,000.00 | ... | ... |
| Jan. 14, 1954 | ... | 1,501,444,000.00 | 1,501,443,000.00 | 1,000.00 | ... |
| Jan. 21, 1954 | ... | 1,500,749,000.00 | 1,500,738,000.00 | 11,000.00 | ... |
| Jan. 28, 1954 | ... | 1,499,879,000.00 | 1,499,873,000.00 | 6,000.00 | ... |
| Feb. 4, 1954 | ... | 1,500,621,000.00 | 1,500,561,000.00 | 60,000.00 | ... |
| Feb. 11, 1954 | ... | 1,500,066,000.00 | 1,499,970,000.00 | 96,000.00 | ... |
| Feb. 18, 1954 | ... | 1,501,687,000.00 | 1,501,604,000.00 | 83,000.00 | ... |
| Feb. 25, 1954 | ... | 1,501,170,000.00 | 1,501,105,000.00 | 65,000.00 | ... |
| Mar. 4, 1954 | ... | 1,500,262,000.00 | 1,500,210,000.00 | 52,000.00 | ... |

| | | | | | |
|---|---|---|---|---|---|
| Mar. 11, 1954 | ..... | 1,500,689,000.00 | 1,500,638,000.00 | 51,000.00 | ..... |
| Mar. 18, 1954 | ..... | 1,500,538,000.00 | 1,500,463,000.00 | 75,000.00 | ..... |
| Mar. 25, 1954 | ..... | 1,501,272,000.00 | 1,501,264,000.00 | 8,000.00 | ..... |
| Apr. 1, 1954 | ..... | 1,502,270,000.00 | 1,502,009,000.00 | 261,000.00 | ..... |
| Apr. 8, 1954 | ..... | 1,500,289,000.00 | 1,500,231,000.00 | 58,000.00 | ..... |
| Apr. 15, 1954 | ..... | 1,500,428,000.00 | 1,500,365,000.00 | 63,000.00 | ..... |
| Apr. 22, 1954 | ..... | 1,501,961,000.00 | 1,501,936,000.00 | 25,000.00 | ..... |
| Apr. 29, 1954 | ..... | 1,500,313,000.00 | 1,500,215,000.00 | 98,000.00 | ..... |
| May 6, 1954 | ..... | 1,500,318,000.00 | 1,500,248,000.00 | 70,000.00 | ..... |
| May 13, 1954 | ..... | 1,501,294,000.00 | 1,501,043,000.00 | 251,000.00 | ..... |
| May 20, 1954 | ..... | 1,499,945,000.00 | 1,499,834,000.00 | 111,000.00 | ..... |
| May 27, 1954 | ..... | 1,500,726,000.00 | 1,500,085,000.00 | 641,000.00 | ..... |
| June 3, 1954 | ..... | 1,500,998,000.00 | 1,500,513,000.00 | 485,000.00 | ..... |
| June 10, 1954 | ..... | 1,501,139,000.00 | 1,500,830,000.00 | 309,000.00 | ..... |
| June 17, 1954 | ..... | 1,501,048,000.00 | 1,499,826,000.00 | 1,222,000.00 | ..... |
| June 18, 1954 (tax anticipation) | ..... | 1,001,083,000.00 | 998,669,000.00 | 2,414,000.00 | ..... |
| June 24, 1954 (tax anticipation) | ..... | 1,500,659,000.00 | 1,487,414,000.00 | 13,245,000.00 | ..... |
| June 24, 1954 | ..... | 1,501,190,000.00 | 1,499,260,000.00 | 1,930,000.00 | ..... |
| July 1, 1954 | ..... | 1,500,672,000.00 | ..... | ..... | $1,500,672,000.00 |
| July 8, 1954 | ..... | 1,499,953,000.00 | ..... | ..... | 1,499,953,000.00 |
| July 15, 1954 | ..... | 1,501,274,000.00 | ..... | ..... | 1,501,274,000.00 |
| July 22, 1954 | ..... | 1,501,452,000.00 | ..... | ..... | 1,501,452,000.00 |
| July 29, 1954 | ..... | 1,502,532,000.00 | ..... | ..... | 1,502,532,000.00 |
| Aug. 5, 1954 | ..... | 1,502,208,000.00 | ..... | ..... | 1,502,208,000.00 |
| Aug. 12, 1954 | ..... | 1,500,849,000.00 | ..... | ..... | 1,500,849,000.00 |
| Aug. 19, 1954 | ..... | 1,501,427,000.00 | ..... | ..... | 1,501,427,000.00 |
| Aug. 26, 1954 | ..... | 1,502,782,000.00 | ..... | ..... | 1,502,782,000.00 |
| Sept. 2, 1954 | ..... | 1,500,502,000.00 | ..... | ..... | 1,500,502,000.00 |
| Sept. 9, 1954 | ..... | 1,500,190,000.00 | ..... | ..... | 1,500,190,000.00 |
| Sept. 16, 1954 | ..... | 1,500,603,000.00 | ..... | ..... | 1,500,603,000.00 |
| Sept. 23, 1954 | ..... | 1,500,973,000.00 | ..... | ..... | 1,500,973,000.00 |
| Total Treasury bills | 19,706,937,000.00 | 80,546,911,000.00 | 80,716,270,000.00 | 22,161,000.00 | 19,515,417,000.00 |
| Certificates of indebtedness: | | | | | |
| 2% Series C—1953 | 2,881,576,000.00 | ..... | 2,881,153,000.00 | 423,000.00 | ..... |
| 2 1/4% Series A—1954 | 8,114,165,000.00 | ..... | 8,112,776,000.00 | 1,389,000.00 | ..... |
| 2 5/8% Series B—1954 | 4,857,798,000.00 | 375,000.00 | 4,848,676,000.00 | 9,497,000.00 | ..... |
| 2 1/2% Series C—1954 (tax anticipation) | ..... | 5,901,636,000.00 | 5,898,987,000.00 | 2,649,000.00 | ..... |
| 2 5/8% Series D—1954 | ..... | 2,788,226,000.00 | ..... | ..... | 2,788,226,000.00 |
| 2 5/8% Series E—1954 | ..... | 4,724,009,000.00 | ..... | ..... | 4,724,009,000.00 |
| 1 5/8% Series A—1955 | ..... | 7,006,787,000.00 | ..... | ..... | 7,006,787,000.00 |
| 1 1/8% Series B—1955 | ..... | 3,885,977,000.00 | ..... | ..... | 3,885,977,000.00 |
| 1/4% Special short term | ..... | 614,000,000.00 | 614,000,000.00 | ..... | ..... |
| Total certificate of indebtedness | 15,853,539,000.00 | 24,921,010,000.00 | 22,355,592,000.00 | 13,958,000.00 | 18,404,999,000.00 |
| Treasury notes: | | | | | |
| 2 1/8% Series A—1953 | 10,541,667,000.00 | ..... | 10,541,010,000.00 | 657,000.00 | ..... |
| 1 3/8% Series A—1954 | 4,675,068,000.00 | ..... | 4,670,857,000.00 | 4,211,000.00 | ..... |
| 1 7/8% Series B—1954 | ..... | 8,175,143,000.00 | ..... | ..... | 8,175,143,000.00 |
| 1 1/2% Series A—1955 | 5,365,078,000.00 | ..... | ..... | ..... | 5,365,078,000.00 |
| 1 3/4% Series B—1955 | 6,853,793,000.00 | ..... | 1,000.00 | ..... | 6,853,792,000.00 |
| 2 7/8% Series A—1957 | ..... | 2,996,574,000.00 | ..... | ..... | 2,996,574,000.00 |

Footnotes at end of table.

TABLE 29.--Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Redemptions during year | Transferred to matured debt | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued | | | | | |
| Public Issues--Continued | | | | | |
| Marketable--Continued | | | | | |
| Treasury notes--Continued | | | | | |
| 1 7/8% Series A--1959 | ........ | $5,102,277,000.00 | ........ | ........ | $5,102,277,000.00 |
| 1 1/2% Series EA--1956 | $1,007,043,000.00 | ........ | ........ | ........ | 1,007,043,000.00 |
| 1 1/2% Series EO--1956 | 550,008,000.00 | ........ | ........ | ........ | 550,008,000.00 |
| 1 1/2% Series EA--1957 | 531,296,000.00 | ........ | ........ | ........ | 531,296,000.00 |
| 1 1/2% Series EO--1957 | 824,196,000.00 | ........ | ........ | ........ | 824,196,000.00 |
| 1 1/2% Series EA--1958 | 80,137,000.00 | 302,659,000.00 | ........ | ........ | 382,796,000.00 |
| 1 1/2% Series EO--1958 | ........ | 121,269,000.00 | ........ | ........ | 121,269,000.00 |
| 1 1/2% Series EA--1959 | ........ | 50,479,000.00 | ........ | ........ | 50,479,000.00 |
| Total Treasury notes | 30,428,286,000.00 | 16,748,401,000.00 | $15,211,868,000.00 | $4,868,000.00 | 31,959,951,000.00 |
| Treasury bonds: | | | | | |
| 2% of 1951-53 | 7,986,242,500.00 | ........ | 7,968,139,500.00 | 18,103,000.00 | ........ |
| 2% of 1951-55 | 510,411,450.00 | ........ | ........ | ........ | 510,411,450.00 |
| 2 1/4% of 1952-55 | 1,500,780,800.00 | ........ | 1,479,116,100.00 | 21,664,700.00 | ........ |
| 2% of 1952-54 (dated June 26, 1944) | 5,825,467,500.00 | ........ | 5,742,531,500.00 | 82,936,000.00 | ........ |
| 2% of 1952-54 (dated Dec. 1, 1944) | 8,661,962,500.00 | ........ | 20,000.00 | ........ | 8,661,942,500.00 |
| 2 1/4% of 1954-56 | 680,691,850.00 | ........ | 666,540,150.00 | 14,151,700.00 | ........ |
| 2 7/8% of 1955-60 | 2,611,090,500.00 | ........ | ........ | ........ | 2,611,090,500.00 |
| 2 1/2% of 1956-58 | 1,448,746,650.00 | ........ | 1,150.00 | ........ | 1,448,745,500.00 |
| 2 3/4% of 1956-59 | 981,826,050.00 | ........ | ........ | ........ | 981,826,050.00 |
| 2 1/4% of 1956-59 | 3,822,158,000.00 | ........ | 558,500.00 | ........ | 3,821,599,500.00 |
| 2 3/8% of 1957-59 | 926,812,000.00 | ........ | 1,000.00 | ........ | 926,811,000.00 |
| 2 3/8% of 1958 | 4,244,812,500.00 | ........ | ........ | ........ | 4,244,812,500.00 |
| 2 3/4% of 1958-63 | 918,780,600.00 | ........ | ........ | ........ | 918,780,600.00 |
| 2 1/2% of 1958 | 620,128,000.00 | 1,748,238,000.00 | ........ | ........ | 2,368,366,000.00 |
| 2 1/4% of 1959-62 (dated June 1, 1945) | 5,279,495,000.00 | ........ | 2,817,000.00 | ........ | 5,276,678,000.00 |
| 2 1/4% of 1959-62 (dated Nov. 15, 1945) | 3,466,790,500.00 | ........ | 1,359,500.00 | ........ | 3,465,431,000.00 |
| 2 3/4% of 1960-65 | 1,485,383,600.00 | ........ | 500.00 | ........ | 1,485,383,100.00 |
| 2 3/4% of 1961 | ........ | 2,239,262,000.00 | ........ | ........ | 2,239,262,000.00 |
| 2 1/2% of 1961 | ........ | 11,177,153,500.00 | ........ | ........ | 11,177,153,500.00 |
| 2 1/2% of 1962-67 | 2,116,634,200.00 | ........ | 600,800.00 | ........ | 2,116,033,400.00 |
| 2 1/2% of 1963-68 | 2,827,614,500.00 | ........ | 1,580,000.00 | ........ | 2,826,034,500.00 |
| 2 1/2% of 1964-69 (dated Apr. 15, 1943) | 3,756,473,000.00 | ........ | 2,432,000.00 | ........ | 3,754,041,000.00 |
| 2 1/2% of 1964-69 (dated Sept. 15, 1943) | 3,832,578,500.00 | ........ | 2,012,000.00 | ........ | 3,830,566,500.00 |
| 2 1/2% of 1965-70 | 4,723,024,000.00 | ........ | 4,268,500.00 | ........ | 4,718,755,500.00 |
| 2 1/2% of 1966-71 | 2,963,162,000.00 | ........ | 1,993,500.00 | ........ | 2,961,168,500.00 |

| | | | | | |
|---|---|---|---|---|---|
| 2 1/2% of 1967-72 (dated June 1, 1945) | 1,894,377,000.00 | ..................... | 6,013,500.00 | ..................... | 1,888,363,500.00 |
| 2 1/2% of 1967-72 (dated Oct. 20, 1941) | 2,716,027,150.00 | ..................... | 7,800.00 | ..................... | 2,716,019,350.00 |
| 2 1/2% of 1967-72 (dated Nov. 15, 1945) | 3,832,343,500.00 | ..................... | 9,752,000.00 | ..................... | 3,822,591,500.00 |
| 3 1/4% of 1978-83 | 1,593,549,300.00 | 12,534,700.00 | 1,000.00 | ..................... | 1,606,083,000.00 |
| Total Treasury bonds | 81,227,363,150.00 | 15,177,188,200.00 | 15,889,746,000.00 | 136,855,400.00 | 80,377,949,950.00 |
| Other bonds: | | | | | |
| 3% Panama Canal loan of 1961 | 49,800,000.00 | ..................... | ..................... | ..................... | 49,800,000.00 |
| 2 1/2% Postal savings bonds (45th to 49th series) | 74,042,380.00 | ..................... | 26,563,460.00 | 1,016,040.00 | 46,462,880.00 |
| Total other bonds | 123,842,380.00 | ..................... | 26,563,460.00 | 1,016,040.00 | 96,262,880.00 |
| Total marketable | 147,339,967,530.00 | 137,393,510,200.00 | 134,200,039,460.00 | 178,858,440.00 | 150,354,579,830.00 |
| Nonmarketable: | | | | | |
| Treasury savings notes: | | | | | |
| Series D-1953 | 81,884,400.00 | ..................... | 80,416,900.00 | 1,467,500.00 | ..................... |
| Series D-1954 | 45,940,900.00 | ..................... | 42,904,100.00 | 3,036,800.00 | ..................... |
| Series A-1954 | 793,356,000.00 | ..................... | 558,548,200.00 | 9,551,800.00 | 225,256,000.00 |
| Series A-1955 | 597,999,100.00 | ..................... | 352,150,700.00 | ..................... | 245,848,400.00 |
| Series A-1956 | 157,565,600.00 | ..................... | 102,338,600.00 | ..................... | 55,227,000.00 |
| Series B-1955 | 2,760,131,000.00 | 1,911,081,300.00 | 719,830,300.00 | ..................... | 3,951,382,000.00 |
| Series C-1955A | ..................... | 679,640,300.00 | 104,920,900.00 | ..................... | 574,719,400.00 |
| Total Treasury savings notes | 4,436,877,000.00 | 2,590,721,600.00 | 1,961,109,700.00 | 14,056,100.00 | 5,052,432,800.00 |
| United States savings bonds:[2] | | | | | |
| Series E-1941 | 620,350,134.91 | 14,237,897.12 | 57,531,312.73 | ..................... | 577,056,719.30 |
| Series E-1942 | 2,737,496,681.33 | 72,263,038.04 | 314,066,102.95 | ..................... | 2,495,693,616.42 |
| Series E-1943 | 4,769,035,091.74 | 145,624,280.71 | 868,933,268.58 | ..................... | 4,045,726,103.87 |
| Series E-1944 | 5,599,246,532.98 | 230,392,055.19 | 530,762,823.57 | ..................... | 5,298,875,764.60 |
| Series E-1945 | 4,398,139,517.73 | 189,097,609.52 | 205,003,296.54 | ..................... | 4,382,233,830.71 |
| Series E-1946 | 2,201,880,952.14 | 99,644,481.21 | 98,418,307.25 | ..................... | 2,203,107,126.10 |
| Series E-1947 | 2,244,774,503.50 | 93,420,919.56 | 100,701,640.15 | ..................... | 2,237,493,782.91 |
| Series E-1948 | 2,427,017,709.91 | 58,746,421.44 | 116,737,224.34 | ..................... | 2,369,026,907.01 |
| Series E-1949 | 2,459,158,302.58 | 60,836,355.15 | 131,013,750.03 | ..................... | 2,388,980,907.70 |
| Series E-1950 | 2,229,416,281.30 | 56,112,943.09 | 143,670,826.90 | ..................... | 2,141,858,397.49 |
| Series E-1951 | 2,037,245,786.18 | 32,127,770.09 | 178,832,273.58 | ..................... | 1,890,541,282.69 |
| Series E-1952 (Jan. to Apr.) | 746,830,151.30 | 9,542,296.87 | 83,528,605.39 | ..................... | 672,843,842.78 |
| Series E-1952 (May to Dec.) | 1,697,762,217.35 | 37,821,371.25 | 250,808,974.45 | ..................... | 1,484,774,614.15 |
| Series E-1953 | 1,534,878,400.00 | 2,255,194,169.25 | 937,727,814.10 | ..................... | 2,852,344,755.15 |
| Series E-1954 | ..................... | 1,749,389,587.50 | 150,105,525.00 | ..................... | 1,599,284,062.50 |
| Unclassified sales and redemptions | [3] 59,132,185.05 | 3,666,928.64 | 143,058,916.20 | ..................... | [3] 198,524,172.61 |
| Total Series E | 35,644,100,077.90 | 5,108,118,124.63 | 4,310,900,661.76 | ..................... | 36,441,317,540.77 |
| Series F-1941 | 106,819,875.00 | 2,156,773.00 | 83,746,548.00 | 25,230,100.00 | ..................... |
| Series F-1942 | 465,986,791.22 | 17,516,795.79 | 146,117,684.46 | 92,443,700.00 | 244,942,202.55 |
| Series F-1943 | 485,375,732.41 | 16,767,775.17 | 23,550,734.23 | ..................... | 478,592,773.35 |
| Series F-1944 | 570,978,391.68 | 18,358,969.92 | 22,168,634.32 | ..................... | 567,168,727.28 |
| Series F-1945 | 457,516,423.89 | 13,937,024.38 | 17,204,609.69 | ..................... | 454,248,838.58 |
| Series F-1946 | 230,957,241.01 | 7,141,232.74 | 14,727,483.23 | ..................... | 223,370,990.52 |
| Series F-1947 | 247,700,847.26 | 7,950,234.46 | 13,822,455.47 | ..................... | 241,828,626.25 |

Footnotes at end of table.

TABLE 29. --Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Redemptions during year | Transferred to matured debt | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued | | | | | |
| Public Issues--Continued | | | | | |
| Nonmarketable--Continued | | | | | |
| United States savings bonds[2]--Continued | | | | | |
| Series F-1948 | $433,276,731.91 | $13,030,002.44 | $15,245,805.51 | ... | $431,060,928.84 |
| Series F-1949 | 189,554,630.16 | 4,974,790.93 | 11,116,701.98 | ... | 183,412,719.11 |
| Series F-1950 | 354,890,537.55 | 6,635,015.83 | 15,045,975.69 | ... | 346,479,577.69 |
| Series F-1951 | 112,594,266.96 | 1,602,921.69 | 8,044,289.66 | ... | 106,152,898.99 |
| Series F-1952 | 38,016,644.35 | 449,906.00 | 2,396,922.71 | ... | 36,069,627.64 |
| Unclassified sales and redemptions | [3] 4,995,223.39 | ... | 14,094,291.52 | ... | [3] 19,089,514.91 |
| Total Series F | 3,688,672,890.01 | 110,521,442.35 | 387,282,136.47 | $117,673,800.00 | 3,294,238,395.89 |
| Series G-1941 | 331,936,000.00 | ... | 310,726,300.00 | 21,209,700.00 | ... |
| Series G-1942 | 1,729,847,900.00 | 618,100.00 | 729,993,100.00 | 159,946,000.00 | 840,526,900.00 |
| Series G-1943 | 1,776,282,200.00 | 1,256,400.00 | 84,811,600.00 | ... | 1,692,727,000.00 |
| Series G-1944 | 2,096,080,300.00 | 1,756,500.00 | 87,075,600.00 | ... | 2,010,761,200.00 |
| Series G-1945 | 1,921,242,600.00 | 1,926,000.00 | 75,247,000.00 | ... | 1,847,921,600.00 |
| Series G-1946 | 2,004,835,100.00 | 1,789,600.00 | 94,026,000.00 | ... | 1,912,598,700.00 |
| Series G-1947 | 1,742,144,300.00 | 1,272,900.00 | 76,500,500.00 | ... | 1,666,916,700.00 |
| Series G-1948 | 2,212,826,100.00 | 2,513,700.00 | 61,502,300.00 | ... | 2,153,837,500.00 |
| Series G-1949 | 1,215,551,300.00 | 883,400.00 | 45,383,700.00 | ... | 1,171,051,000.00 |
| Series G-1950 | 1,736,366,100.00 | 1,053,000.00 | 56,455,300.00 | ... | 1,680,963,800.00 |
| Series G-1951 | 591,330,200.00 | 456,700.00 | 28,878,800.00 | ... | 562,908,100.00 |
| Series G-1952 | 154,209,000.00 | 91,300.00 | 8,662,800.00 | ... | 145,637,500.00 |
| Unclassified sales and redemptions | [3] 24,183,200.00 | ... | 35,676,700.00 | ... | [3] 59,859,900.00 |
| Total Series G | 17,488,467,900.00 | 13,617,600.00 | 1,694,939,700.00 | 181,155,700.00 | 15,625,990,100.00 |
| Series H-1952 | 185,832,500.00 | 107,000.00 | 10,130,500.00 | ... | 175,809,000.00 |
| Series H-1953 | 192,454,500.00 | 278,173,500.00 | 14,816,500.00 | ... | 455,811,500.00 |
| Series H-1954 | ... | 383,805,000.00 | 118,000.00 | ... | 383,687,000.00 |
| Unclassified sales and redemptions | 10,167,500.00 | 8,624,000.00 | 644,000.00 | ... | 18,147,500.00 |
| Total Series H | 388,454,500.00 | 670,709,500.00 | 25,709,000.00 | ... | 1,033,455,000.00 |
| Series J-1952 | 87,319,805.21 | 1,501,615.48 | 5,757,999.43 | ... | 83,063,421.26 |
| Series J-1953 | 62,284,194.00 | 69,561,515.26 | 3,827,724.00 | ... | 128,017,985.26 |
| Series J-1954 | ... | 155,866,644.00 | 121,356.00 | ... | 155,745,288.00 |
| Unclassified sales and redemptions | 3,494,520.00 | 6,425,360.00 | 893,046.00 | ... | 9,026,834.00 |
| Total Series J | 153,098,519.21 | 233,355,134.74 | 10,600.125.43 | ... | 375,853,528.52 |

| | | | | | |
|---|---|---|---|---|---|
| Series K-1952 | 286,318,000.00 | 116,000.00 | 12,225,000.00 | ... | 274,209,000.00 |
| Series K-1953 | 163,182,000.00 | 139,647,000.00 | 7,682,500.00 | ... | 295,146,500.00 |
| Series K-1954 | ... | 451,520,000.00 | 132,000.00 | ... | 451,388,000.00 |
| Unclassified sales and redemptions | 5,488,000.00 | 19,611,500.00 | 304,000.00 | ... | 24,795,500.00 |
| Total Series K | 454,988,000.00 | 610,894,500.00 | 20,343,500.00 | ... | 1,045,539,000.00 |
| Total United States savings bonds | 57,817,781,887.12 | 6,747,216,301.72 | 6,449,775,123.66 | 298,829,500.00 | 57,816,393,565.18 |
| Depositary bonds: | | | | | |
| First series | 446,548,000.00 | 39,426,000.00 | 74,758,500.00 | ... | 411,215,500.00 |
| Treasury bonds, investment series: | | | | | |
| Series A-1965 | 947,620,000.00 | ... | 33,955,000.00 | ... | 913,665,000.00 |
| Series B-1975-80 | 12,337,060,000.00 | ... | 475,813,000.00 | ... | 11,861,247,000.00 |
| Total Treasury bonds, investment series | 13,284,680,000.00 | ... | 509,768,000.00 | ... | 12,774,912,000.00 |
| Total nonmarketable | 75,985,886,887.12 | 9,377,363,901.72 | 8,995,411,323.66 | 312,885,600.00 | 76,054,953,865.18 |
| Total public issues | 223,325,854,417.12 | 146,770,874,101.72 | 143,195,450,783.66 | 491,744,040.00 | 226,409,533,695.18 |
| Special Issues | | | | | |
| Adjusted service certificate fund: | | | | | |
| 4% certificates | 5,113,000.00 | 4,693,000.00 | 5,163,000.00 | ... | 4,643,000.00 |
| Canal Zone, Postal Savings System: | | | | | |
| 2% notes | 1,050,000.00 | ... | ... | ... | 1,050,000.00 |
| Civil service retirement fund: | | | | | |
| 4% certificates | 845,440,000.00 | 2,716,790,000.00 | 1,298,051,000.00 | ... | 2,264,179,000.00 |
| 3% certificates | 1,048,000.00 | 6,751,000.00 | 3,682,000.00 | ... | 4,117,000.00 |
| 4% notes | 4,726,982,000.00 | ... | 1,166,208,000.00 | ... | 3,560,774,000.00 |
| 3% notes | 12,248,000.00 | ... | 2,372,000.00 | ... | 9,876,000.00 |
| Farm tenant mortgage insurance fund: | | | | | |
| 2% notes | 1,250,000.00 | ... | ... | ... | 1,250,000.00 |
| Federal Deposit Insurance Corporation: | | | | | |
| 2% notes | 846,400,000.00 | 154,400,000.00 | 109,200,000.00 | ... | 891,600,000.00 |
| Federal home loan banks: | | | | | |
| 2% notes | 50,000,000.00 | 2,000,000.00 | 2,000,000.00 | ... | 50,000,000.00 |
| 1 1/2% notes | ... | 124,800,000.00 | 9,100,000.00 | ... | 115,700,000.00 |
| 1 1/4% notes | ... | 68,900,000.00 | 3,000,000.00 | ... | 65,900,000.00 |
| Federal old-age and survivors insurance trust fund: | | | | | |
| 2 3/8% certificates | 15,531,700,000.00 | 1,152,705,000.00 | 16,684,405,000.00 | ... | ... |
| 2 1/4% certificates | ... | 17,378,405,000.00 | 324,000,000.00 | ... | 17,054,405,000.00 |
| Federal Savings and Loan Insurance Corporation: | | | | | |
| 2% notes | 60,740,000.00 | 48,850,000.00 | 25,150,000.00 | ... | 84,440,000.00 |

Footnotes at end of table.

TABLE 29.--Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Redemptions during year | Transferred to matured debt | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued | | | | | |
| Special Issues--Continued | | | | | |
| Foreign service retirement fund: | | | | | |
| 4% certificates | $2,753,000.00 | $6,707,000.00 | $3,408,000.00 | ................... | $6,052,000.00 |
| 3% certificates | 102,000.00 | 290,000.00 | 146,000.00 | ................... | 246,000.00 |
| 4% notes | 12,812,800.00 | ................... | 4,260,000.00 | ................... | 8,552,800.00 |
| 3% notes | 462,100.00 | ................... | 83,500.00 | ................... | 378,600.00 |
| Government life insurance fund: | | | | | |
| 3 1/2% certificates | 1,299,000,000.00 | 1,234,000,000.00 | 1,299,000,000.00 | ................... | 1,234,000,000.00 |
| Housing insurance fund: | | | | | |
| 2% notes | 1,700,000.00 | ................... | 1,700,000.00 | ................... | ................... |
| Housing insurance fund-Title I: | | | | | |
| 2% notes | ................... | 450,000.00 | ................... | ................... | 450,000.00 |
| Housing investment insurance fund: | | | | | |
| 2% notes | 150,000.00 | ................... | 150,000.00 | ................... | ................... |
| Military housing insurance fund: | | | | | |
| 2% notes | 2,200,000.00 | ................... | 2,200,000.00 | ................... | ................... |
| Mutual mortgage insurance fund: | | | | | |
| 2% notes | 15,700,000.00 | 9,800,000.00 | 15,700,000.00 | ................... | 9,800,000.00 |

| Title | Outstanding June 30, 1953 | Issues during year | Transferred from interest-bearing debt | Redemptions during year | Transferred to matured debt | Outstanding June 30, 1954 |
|---|---|---|---|---|---|---|
| INTEREST-BEARING DEBT--Continued | | | | | | |
| Special Issues--Continued | | | | | | |
| National defense housing insurance fund: | | | | | | |
| 2% notes | $2,000,000.00 | $6,400,000.00 | ... | $3,800,000.00 | ... | $4,600,000.00 |
| National service life insurance fund: | | | | | | |
| 3% notes | 5,249,479,000.00 | 2,620,000,000.00 | ... | 2,597,000,000.00 | ... | 5,272,479,000.00 |
| Postal Savings System: | | | | | | |
| 2% notes | 451,000,000.00 | ... | ... | 239,000,000.00 | ... | 212,000,000.00 |
| Railroad retirement account: | | | | | | |
| 3% notes | 3,127,803,000.00 | 848,452,000.00 | ... | 631,000,000.00 | ... | 3,345,255,000.00 |
| Unemployment trust fund: | | | | | | |
| 2 3/8% certificates | 8,287,000,000.00 | 605,000,000.00 | ... | 8,892,000,000.00 | ... | ... |
| 2 1/4% certificates | ... | 8,024,000,000.00 | ... | ... | ... | 8,024,000,000.00 |
| Veterans special term insurance fund: | | | | | | |
| 2 1/8% certificates | 425,000.00 | 1,500,000.00 | ... | 1,925,000.00 | ... | ... |
| 2% certificates | ... | 3,925,000.00 | ... | 900,000.00 | ... | 3,025,000.00 |
| War housing insurance fund: | | | | | | |
| 2% notes | 3,700,000.00 | 38,300,000.00 | ... | 42,000,000.00 | ... | ... |
| Total special issues | 40,538,257,900.00 | 35,057,118,000.00 | ... | 33,366,603,500.00 | ... | 42,228,772,400.00 |
| Total interest bearing debt outstanding | 263,864,112,317.12 | 181,827,992,101.72 | ... | 176,562,054,283.66 | $491,744,040.00 | 268,638,306,095.18 |
| MATURED DEBT ON WHICH INTEREST HAS CEASED | | | | | | |
| Postal savings bonds, etc.: | | | | | | |
| 3% Loan of 1908-18 | 98,480.00 | ... | ... | 120.00 | ... | 98,360.00 |
| 6% Loan of July and August 1861 | 14,050.00 | ... | ... | ... | ... | 14,050.00 |
| 6% Compound interest notes 1864-1866 | 155,990.00 | ... | ... | ... | ... | 155,990.00 |
| 5% Funded Loan of 1881 | 19,400.00 | ... | ... | ... | ... | 19,400.00 |
| 2 1/2% Postal savings bonds | 1,058,520.00 | ... | $1,016,040.00 | 426,520.00 | ... | 1,648,040.00 |
| All other issues[4] | 1,088,730.26 | ... | ... | ... | ... | 1,088,730.26 |
| Total postal savings bonds, etc | 2,435,170.26 | ... | 1,016,040.00 | 426,640.00 | ... | 3,024,570.26 |
| Liberty loan bonds: | | | | | | |
| First Liberty loan: | | | | | | |
| First 3 1/2's | 869,600.00 | ... | ... | 68,300.00 | ... | 801,300.00 |
| First 4's | 99,300.00 | ... | ... | 1,500.00 | ... | 97,800.00 |

Footnotes at end of table.

TABLE 29.--Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Transferred from interest-bearing debt | Redemptions during year | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| MATURED DEBT ON WHICH INTEREST HAS CEASED--Continued | | | | | |
| Liberty loan bonds--Continued | | | | | |
| First Liberty loan--Continued | | | | | |
| First 4 1/4's | $440,750.00 | ..... | ..... | $13,650.00 | $427,100.00 |
| First-Second 4 1/4's | 3,100.00 | ..... | ..... | ..... | 3,100.00 |
| Total | 1,412,750.00 | ..... | ..... | 83,450.00 | 1,329,300.00 |
| Second Liberty loan: | | | | | |
| Second 4's | 367,500.00 | ..... | ..... | 2,400.00 | 365,100.00 |
| Second 4 1/4's | 414,600.00 | ..... | ..... | 8,400.00 | 406,200.00 |
| Total | 782,100.00 | ..... | ..... | 10,800.00 | 771,300.00 |
| Third Liberty loan 4 1/4's | 1,321,700.00 | ..... | ..... | 10,800.00 | 1,310,900.00 |
| Fourth Liberty loan 4 1/4's | 3,555,650.00 | ..... | ..... | 130,500.00 | 3,425,150.00 |
| Total Liberty loan bonds | 7,072,200.00 | ..... | ..... | 235,550.00 | 6,836,650.00 |
| Victory notes: | | | | | |
| Victory 3 3/4's | 700.00 | ..... | ..... | ..... | 700.00 |
| Victory 4 3/4's | 436,550.00 | ..... | ..... | 2,300.00 | 434,250.00 |
| Total Victory notes | 437,250.00 | ..... | ..... | 2,300.00 | 434,950.00 |
| Treasury bonds: | | | | | |
| 3 3/8's of 1940-43 | 124,650.00 | ..... | ..... | 20,900.00 | 103,750.00 |
| 3 3/8's of 1941-43 | 225,550.00 | ..... | ..... | 4,600.00 | 220,950.00 |
| 3 1/4's of 1941 | 60,500.00 | ..... | ..... | 2,550.00 | 57,950.00 |
| 3 3/8's of 1943-47 | 279,400.00 | ..... | ..... | 42,350.00 | 237,050.00 |
| 3 1/4's of 1943-45 | 622,850.00 | ..... | ..... | 78,550.00 | 544,300.00 |
| 3 1/4's of 1944-46 | 1,186,450.00 | ..... | ..... | 128,850.00 | 1,057,600.00 |
| 4's of 1944-54 | 844,800.00 | ..... | ..... | 187,700.00 | 657,100.00 |
| 2 3/4's of 1945-47 | 676,250.00 | ..... | ..... | 106,550.00 | 569,700.00 |
| 2 1/2's of 1945 | 40,500.00 | ..... | ..... | 26,500.00 | 14,000.00 |
| 3 3/4's of 1946-56 | 386,900.00 | ..... | ..... | 43,900.00 | 343,000.00 |
| 3's of 1946-48 | 350,350.00 | ..... | ..... | 73,700.00 | 276,650.00 |
| 3 1/8's of 1946-49 | 1,031,850.00 | ..... | ..... | 99,650.00 | 932,200.00 |
| 4 1/4's of 1947-52 | 1,308,000.00 | ..... | ..... | 225,500.00 | 1,082,500.00 |
| 2's of 1947 | 52,950.00 | ..... | ..... | 23,500.00 | 29,450.00 |
| 2's of 1948-50 (dated Mar. 15, 1941) | 60,850.00 | ..... | ..... | 21,200.00 | 39,650.00 |
| 2 3/4's of 1948-51 | 1,535,000.00 | ..... | ..... | 57,050.00 | 1,477,950.00 |
| 1 3/4's of 1948 | 499,500.00 | ..... | ..... | 143,000.00 | 356,500.00 |

| | | | | | |
|---|---|---|---|---|---|
| 2 1/2's of 1948 | 138,950.00 | ... | ... | 39,800.00 | 99,150.00 |
| 2's of 1948-50 (dated Dec. 8, 1939) | 60,100.00 | ... | ... | 12,300.00 | 47,800.00 |
| 2's of 1949-51 (dated Jan. 15, 1942) | 74,700.00 | ... | ... | 17,700.00 | 57,000.00 |
| 2's of 1949-51 (dated May 15, 1942) | 101,100.00 | ... | ... | 19,200.00 | 81,900.00 |
| 2's of 1949-51 (dated July 15, 1942) | 235,000.00 | ... | ... | 47,500.00 | 187,500.00 |
| 3 1/8's of 1949-52 | 217,500.00 | ... | ... | 36,850.00 | 180,650.00 |
| 2 1/2's of 1949-53 | 1,451,100.00 | ... | ... | 682,800.00 | 768,300.00 |
| 1 1/2's of 1950 | 4,759,500.00 | ... | ... | 1,421,500.00 | 3,338,000.00 |
| 2's of 1950-52 (dated Oct. 19, 1942) | 295,700.00 | ... | ... | 119,500.00 | 176,200.00 |
| 2 1/2's of 1950-52 | 305,250.00 | ... | ... | 91,500.00 | 213,750.00 |
| 2's of 1950-52 (dated Apr. 15, 1943) | 4,412,500.00 | ... | ... | 1,738,500.00 | 2,674,000.00 |
| 2 1/4's of 1951-53 | 625,300.00 | ... | ... | 260,850.00 | 364,450.00 |
| 2's of 1951-53 | ... | ... | $18,103,000.00 | ... | 18,103,000.00 |
| 2 3/4's of 1951-54 | 1,684,100.00 | ... | ... | 575,900.00 | 1,108,200.00 |
| 3's of 1951-55 | 6,450,450.00 | ... | ... | 2,483,500.00 | 3,966,950.00 |
| 2 1/2's of 1952-54 | 1,569,550.00 | ... | ... | 989,650.00 | 579,900.00 |
| 2's of 1952-54 (dated June 26, 1944) | ... | ... | 82,936,000.00 | ... | 82,936,000.00 |
| 2 1/4's of 1952-55 | ... | ... | 21,664,700.00 | ... | 21,664,700.00 |
| 2's of 1953-55 | 8,253,950.00 | ... | ... | 7,404,050.00 | 849,900.00 |
| 2 1/4's of 1954-56 | ... | ... | 14,151,700.00 | ... | 14,151,700.00 |
| Total Treasury bonds | 39,921,100.00 | ... | 136,855,400.00 | 17,227,150.00 | 159,549,350.00 |
| 3% Adjusted service bonds of 1945 | 4,576,750.00 | $27,000.00 | ... | 529,200.00 | 4,074,550.00 |
| United States savings bonds: | | | | | |
| Series A-1935 | 1,835,150.00 | ... | ... | 247,925.00 | 1,587,225.00 |
| Series B-1936 | 3,225,100.00 | ... | ... | 409,750.00 | 2,815,350.00 |
| Series C-1937 | 4,170,750.00 | ... | ... | 712,400.00 | 3,458,350.00 |
| Series C-1938 | 6,508,600.00 | ... | ... | 1,237,275.00 | 5,271,325.00 |
| Series D-1939 | 12,319,550.00 | [1] 130.00 | ... | 2,372,595.00 | 9,946,825.00 |
| Series D-1940 | 27,600,875.00 | ... | ... | 5,660,450.00 | 21,940,425.00 |
| Series D-1941 | 35,234,375.00 | ... | ... | 7,465,875.00 | 27,768,500.00 |
| Series F-1941 | 19,423,600.00 | ... | 25,230,100.00 | 14,653,525.00 | 30,000,175.00 |
| Series F-1942 | ... | ... | 92,443,700.00 | ... | 92,443,700.00 |
| Series G-1941 | 42,507,600.00 | ... | 21,209,700.00 | 38,648,200.00 | 25,069,100.00 |
| Series G-1942 | ... | ... | 159,946,000.00 | ... | 159,946,000.00 |
| Total United States savings bonds | 152,825,600.00 | [1] 130.00 | 298,829,500.00 | 71,407,995.00 | 380,246,975.00 |
| Armed forces leave bonds: | | | | | |
| Series 1943: | | | | | |
| Apr. 1, 1943 | 98,125.00 | ... | ... | 19,925.00 | 78,200.00 |
| July 1, 1943 | 155,325.00 | ... | ... | 37,350.00 | 117,975.00 |
| Oct. 1, 1943 | 236,350.00 | ... | ... | 52,775.00 | 183,575.00 |
| Series 1944: | | | | | |
| Jan. 1, 1944 | 246,750.00 | ... | ... | 55,600.00 | 191,150.00 |
| Apr. 1, 1944 | 201,475.00 | 100.00 | ... | 44,850.00 | 156,725.00 |
| July 1, 1944 | 242,275.00 | ... | ... | 48,325.00 | 193,950.00 |
| Oct. 1, 1944 | 279,200.00 | [1] 100.00 | ... | 65,900.00 | 213,200.00 |

Footnotes at end of table.

TABLE 29.--Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Transferred from interest-bearing debt | Redemptions during year | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| MATURED DEBT ON WHICH INTEREST HAS CEASED--Continued | | | | | |
| Armed forces leave bonds--Continued | | | | | |
| Series 1945: | | | | | |
| Jan. 1, 1945 | $535,275.00 | ... | ... | $111,950.00 | $413,325.00 |
| Apr. 1, 1945 | 483,250.00 | ... | ... | 113,075.00 | 370,175.00 |
| July 1, 1945 | 1,186,850.00 | ... | ... | 285,275.00 | 901,575.00 |
| Oct. 1, 1945 | 4,915,250.00 | [1] $150.00 | ... | 1,206,000.00 | 3,709,100.00 |
| Series 1946: | | | | | |
| Jan. 1, 1946 | 21,240,475.00 | 200.00 | ... | 5,389,175.00 | 15,851,500.00 |
| Apr. 1, 1946 | 11,779,100.00 | [1] 200.00 | ... | 3,106,475.00 | 8,672,425.00 |
| July 1, 1946 | 4,749,275.00 | ... | ... | 1,306,625.00 | 3,442,650.00 |
| Oct. 1, 1946 | 6,640,775.00 | 150.00 | ... | 2,185,650.00 | 4,455,275.00 |
| Total armed forces leave bonds | 52,979,750.00 | ... | ... | 14,028,950.00 | 38,950,800.00 |
| Treasury notes: | | | | | |
| Regular series: | | | | | |
| 5 3/4% A-1924 | 6,200.00 | ... | ... | ... | 6,200.00 |
| 4 3/4% A-1925 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 4 3/8% B-1925 | 16,700.00 | ... | ... | ... | 16,700.00 |
| 4 1/2% C-1925 | 6,300.00 | ... | ... | ... | 6,300.00 |
| 4 3/4% A-1926 | 2,600.00 | ... | ... | ... | 2,600.00 |
| 4 1/4% B-1926 | 6,800.00 | ... | ... | ... | 6,800.00 |
| 4 1/2% A-1927 | 7,200.00 | ... | ... | ... | 7,200.00 |
| 4 3/4% B-1927 | 9,900.00 | ... | ... | 400.00 | 9,500.00 |
| 3 1/2% A-1930-32 | 80,600.00 | ... | ... | ... | 80,600.00 |
| 3 1/2% B-1930-32 | 60,150.00 | ... | ... | 100.00 | 60,050.00 |
| 3 1/2% C-1930-32 | 14,700.00 | ... | ... | 2,500.00 | 12,200.00 |
| 3% A-1934 | 500.00 | ... | ... | ... | 500.00 |
| 2 1/8% B-1934 | 5,000.00 | ... | ... | ... | 5,000.00 |
| 3% A-1935 | 7,000.00 | ... | ... | ... | 7,000.00 |
| 1 5/8% B-1935 | 984,400.00 | ... | ... | ... | 984,400.00 |
| 2 1/2% C-1935 | 10,000.00 | ... | ... | ... | 10,000.00 |
| 2 1/2% D-1935 | 80,000.00 | ... | ... | ... | 80,000.00 |
| 3 1/4% A-1936 | 26,500.00 | ... | ... | 15,000.00 | 11,500.00 |
| 2 3/4% B-1936 | 18,100.00 | ... | ... | ... | 18,100.00 |
| 2 7/8% C-1936 | 14,600.00 | ... | ... | ... | 14,600.00 |
| 3 1/4% A-1937 | 97,100.00 | ... | ... | ... | 97,100.00 |
| 3% B-1937 | 28,000.00 | ... | ... | ... | 28,000.00 |
| 3% C-1937 | 10,000.00 | ... | ... | ... | 10,000.00 |
| 2 5/8% A-1938 | 7,300.00 | ... | ... | 7,000.00 | 300.00 |
| 2 7/8% B-1938 | 21,000.00 | ... | ... | 1,000.00 | 20,000.00 |

| | | | | | |
|---|---|---|---|---|---|
| 3% C-1938 | 245,000.00 | ... | ... | ... | 245,000.00 |
| 2 1/2% D-1938 | 12,500.00 | ... | ... | ... | 12,500.00 |
| 2 1/8% A-1939 | 37,200.00 | ... | ... | ... | 37,200.00 |
| 1 3/8% B-1939 | 10,100.00 | ... | ... | ... | 10,100.00 |
| 1 1/2% C-1939 | 1,300.00 | ... | ... | ... | 1,300.00 |
| 1 5/8% A-1940 | 130,150.00 | ... | ... | 113,000.00 | 17,150.00 |
| 1 1/2% B-1940 | 65,000.00 | ... | ... | ... | 65,000.00 |
| 1 1/2% C-1940 | 22,000.00 | ... | ... | ... | 22,000.00 |
| 1 1/2% A-1941 | 10,500.00 | ... | ... | ... | 10,500.00 |
| 1 3/8% E-1941 | 3,465,600.00 | ... | ... | ... | 3,465,600.00 |
| 1 1/4% C-1941 | 20,900.00 | ... | ... | 10,000.00 | 10,900.00 |
| 1 3/4% A-1942 | 35,000.00 | ... | ... | 10,000.00 | 25,000.00 |
| 2% B-1942 | 2,000.00 | ... | ... | ... | 2,000.00 |
| 1 3/4% C-1942 | 103,000.00 | ... | ... | ... | 103,000.00 |
| 1 1/8% A-1943 | 16,500.00 | ... | ... | ... | 16,500.00 |
| 1 1/8% B-1943 | 89,800.00 | ... | ... | 3,700.00 | 86,100.00 |
| 1% C-1943 | 372,300.00 | ... | ... | 47,300.00 | 325,000.00 |
| 3/4% D-1943 | 2,000.00 | ... | ... | ... | 2,000.00 |
| 3/4% A-1944 | 311,000.00 | ... | ... | ... | 311,000.00 |
| 1% B-1944 | 740,100.00 | ... | ... | ... | 740,100.00 |
| 1% C-1944 | 88,000.00 | ... | ... | 2,000.00 | 86,000.00 |
| 3/4% D-1944 | 2,400.00 | ... | ... | ... | 2,400.00 |
| 3/4% A-1945 | 2,275,600.00 | ... | ... | ... | 2,275,600.00 |
| 3/4% B-1945 | 69,600.00 | ... | ... | 11,100.00 | 58,500.00 |
| 1% A-1946 | 1,500.00 | ... | ... | ... | 1,500.00 |
| 1 1/2% B-1946 | 32,900.00 | ... | ... | ... | 32,900.00 |
| .90% D-1946 | 15,000.00 | ... | ... | ... | 15,000.00 |
| 1 1/4% B-1947 | 751,000.00 | ... | ... | 400,000.00 | 351,000.00 |
| 1 1/2% A-1947 | 57,500.00 | ... | ... | 12,000.00 | 45,500.00 |
| 1 1/4% C-1947 | 353,000.00 | ... | ... | 103,000.00 | 250,000.00 |
| 1 1/2% A-1948 | 53,000.00 | ... | ... | 1,000.00 | 52,000.00 |
| 1% B-1948 | 32,000.00 | ... | ... | 15,000.00 | 17,000.00 |
| 1 1/8% A-1949 | 11,000.00 | ... | ... | ... | 11,000.00 |
| 1 3/8% A-1950 | 77,000.00 | ... | ... | 15,000.00 | 62,000.00 |
| 1 1/4% B-1951 | 26,000.00 | ... | ... | 2,000.00 | 24,000.00 |
| 1 1/4% C-1951 | 77,000.00 | ... | ... | 29,000.00 | 48,000.00 |
| 1 1/4% D-1951 | 966,000.00 | ... | ... | 920,000.00 | 46,000.00 |
| 1 1/4% E-1951 | 35,000.00 | ... | ... | 6,000.00 | 29,000.00 |
| 1 1/4% A-1951 | 112,000.00 | ... | ... | 46,000.00 | 66,000.00 |
| 1 1/4% F-1951 | 114,000.00 | ... | ... | 36,000.00 | 78,000.00 |
| 1 1/4% G-1951 | 116,000.00 | ... | ... | 68,000.00 | 48,000.00 |
| 2 1/8% A-1953 | ... | ... | $657,000.00 | ... | 657,000.00 |
| 1 3/8% A-1954 | ... | ... | 4,211,000.00 | ... | 4,211,000.00 |
| Tax series: | | | | | |
| A-1943 | 30,675.00 | ... | ... | 5,175.00 | 25,500.00 |
| B-1943 | 21,300.00 | ... | ... | 2,000.00 | 19,300.00 |
| A-1944 | 47,200.00 | ... | ... | 11,150.00 | 36,050.00 |
| B-1944 | 26,900.00 | ... | ... | 15,600.00 | 11,300.00 |
| A-1945 | 607,500.00 | ... | ... | 121,925.00 | 485,575.00 |
| Savings series: | | | | | |
| C-1945 | 41,000.00 | ... | ... | 5,000.00 | 36,000.00 |
| C-1946 | 1,061,500.00 | ... | ... | 209,100.00 | 852,400.00 |
| C-1947 | 1,700,200.00 | ... | ... | 410,800.00 | 1,289,400.00 |

Footnotes at end of table.

TABLE 29. --Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Transferred from interest-bearing debt | Redemptions during year | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| **MATURED DEBT ON WHICH INTEREST HAS CEASED--Continued** | | | | | |
| Treasury notes—Continued | | | | | |
| Savings series—Continued | | | | | |
| C-1948 | $1,157,500.00 | ... | ... | $315,400.00 | $842,100.00 |
| C-1949 | 373,200.00 | ... | ... | 139,500.00 | 233,700.00 |
| C-1950 | 427,200.00 | ... | ... | 198,200.00 | 229,000.00 |
| C-1951 | 511,300.00 | ... | ... | 290,200.00 | 221,100.00 |
| D-1951 | 450,100.00 | ... | ... | 257,900.00 | 192,200.00 |
| D-1952 | 3,285,300.00 | ... | ... | 2,398,300.00 | 887,000.00 |
| D-1953 | 9,819,600.00 | ... | $1,467,500.00 | 9,080,500.00 | 2,206,600.00 |
| D-1954 | ... | ... | 3,036,800.00 | ... | 3,036,800.00 |
| A-1954 | ... | ... | 9,551,800.00 | ... | 9,551,800.00 |
| Total Treasury notes | 32,039,575.00 | ... | 18,924,100.00 | 15,336,850.00 | 35,626,825.00 |
| Certificates of indebtedness: | | | | | |
| Tax issue series: | | | | | |
| 4 1/2% T-10 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 4 3/4% TM-1921 | 500.00 | ... | ... | ... | 500.00 |
| 6% TJ-1921 | 1,500.00 | ... | ... | ... | 1,500.00 |
| 6% TS-1921 | 1,500.00 | ... | ... | ... | 1,500.00 |
| 6% TD-1921 | 2,000.00 | ... | ... | ... | 2,000.00 |
| 5 1/2% TS2-1921 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 5 3/4% TM-1922 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 4 1/2% TS2-1922 | 500.00 | ... | ... | ... | 500.00 |
| 4 1/2% TD-1922 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 4 1/4% TM-1923 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 3 3/4% TS-1923 | 500.00 | ... | ... | ... | 500.00 |
| 4 1/2% TM-1924 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 4% TM-1925 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 4 1/2% TJ-1929 | 1,100.00 | ... | ... | ... | 1,100.00 |
| 4 3/4% TS-1929 | 1,500.00 | ... | ... | ... | 1,500.00 |
| 4 1/4% TD-1929 | 3,000.00 | ... | ... | ... | 3,000.00 |
| 4 3/4% TD2-1929 | 1,500.00 | ... | ... | ... | 1,500.00 |
| 5 1/8% TM-1930 | 3,000.00 | ... | ... | ... | 3,000.00 |
| 4 7/8% TJ-1930 | 1,500.00 | ... | ... | ... | 1,500.00 |
| 1 1/8% TS-1932 | 3,500.00 | ... | ... | ... | 3,500.00 |
| 3% TS2-1932 | 100,500.00 | ... | ... | ... | 100,500.00 |
| 3 3/4% TM-1933 | 12,500.00 | ... | ... | ... | 12,500.00 |
| 2% First-maturing Mar. 15, 1933 | 6,350.00 | ... | ... | ... | 6,350.00 |
| 1/2% TJ-1933 | 2,500.00 | ... | ... | ... | 2,500.00 |
| 4% Tag 1933 | 11,000.00 | ... | ... | ... | 11,000.00 |
| 1 1/4% TS-1933 | 10,000.00 | ... | ... | ... | 10,000.00 |
| 3/4% TD-1933 | 60,000.00 | ... | ... | ... | 60,000.00 |
| 4 1/4% TD2-1933 | 16,000.00 | ... | ... | ... | 16,000.00 |

| | | | | | |
|---|---|---|---|---|---|
| Loan issue series: | | | | | |
| 4 1/2% IVA-1918 | 500.00 | ... | ... | ... | 500.00 |
| 5 1/4% G-1920 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 5 1/2% H-1921 | 500.00 | ... | ... | ... | 500.00 |
| 5 1/2% A-1922 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 3 3/4% A-1933 | 500.00 | ... | ... | ... | 500.00 |
| 7/8% B-1944 | 153,000.00 | ... | ... | 26,000.00 | 127,000.00 |
| 7/8% E-1944 | 305,000.00 | ... | ... | 18,000.00 | 287,000.00 |
| 7/8% A-1945 | 257,000.00 | ... | ... | 31,000.00 | 226,000.00 |
| 7/8% B-1945 | 21,000.00 | ... | ... | ... | 21,000.00 |
| 7/8% C-1945 | 144,000.00 | ... | ... | 17,000.00 | 127,000.00 |
| 7/8% F-1945 | 2,000.00 | ... | ... | ... | 2,000.00 |
| 7/8% H-1945 | 373,000.00 | ... | ... | 247,000.00 | 126,000.00 |
| 7/8% A-1946 | 25,000.00 | ... | ... | 3,000.00 | 22,000.00 |
| 7/8% B-1946 | 6,000.00 | ... | ... | ... | 6,000.00 |
| 7/8% C-1946 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 7/8% E-1946 | 549,000.00 | ... | ... | 245,000.00 | 304,000.00 |
| 7/8% G-1946 | 3,000.00 | ... | ... | ... | 3,000.00 |
| 7/8% H-1946 | 40,000.00 | ... | ... | ... | 40,000.00 |
| 7/8% J-1946 | 5,000.00 | ... | ... | 3,000.00 | 2,000.00 |
| 7/8% K-1946 | 322,000.00 | ... | ... | 168,000.00 | 154,000.00 |
| 7/8% A-1947 | 4,000.00 | ... | ... | 4,000.00 | ... |
| 7/8% B-1947 | 1,000.00 | ... | ... | ... | 1,000.00 |
| 7/8% D-1947 | 80,000.00 | ... | ... | ... | 80,000.00 |
| 7/8% E-1947 | 100,000.00 | ... | ... | 2,000.00 | 98,000.00 |
| 7/8% F-1947 | 65,000.00 | ... | ... | ... | 65,000.00 |
| 7/8% H-1947 | 2,000.00 | ... | ... | ... | 2,000.00 |
| 7/8% J-1947 | 4,000.00 | ... | ... | 1,000.00 | 3,000.00 |
| 7/8% K-1947 | 20,000.00 | ... | ... | ... | 20,000.00 |
| 7/8% L-1947 | 60,000.00 | ... | ... | 26,000.00 | 34,000.00 |
| 7/8% A-1948 | 20,000.00 | ... | ... | 15,000.00 | 5,000.00 |
| 7/8% C-1948 | 27,000.00 | ... | ... | ... | 27,000.00 |
| 7/8% D-1948 | 7,000.00 | ... | ... | ... | 7,000.00 |
| 7/8% E-1948 | 2,000.00 | ... | ... | 2,000.00 | ... |
| 7/8% F-1948 | 15,000.00 | ... | ... | 15,000.00 | ... |
| 7/8% H-1948 | 1,000.00 | ... | ... | 1,000.00 | ... |
| 1% K-1948 | 20,000.00 | ... | ... | ... | 20,000.00 |
| 1 1/8% A-1949 | 128,000.00 | ... | ... | 110,000.00 | 18,000.00 |
| 1 1/8% B-1949 | 125,000.00 | ... | ... | 5,000.00 | 120,000.00 |
| 1 1/8% C-1949 | 106,000.00 | ... | ... | ... | 106,000.00 |
| 1 1/8% D-1949 | 17,000.00 | ... | ... | ... | 17,000.00 |
| 1 1/8% F-1949 | 25,000.00 | ... | ... | 5,000.00 | 20,000.00 |
| 1 1/4% G-1949 | 85,000.00 | ... | ... | 10,000.00 | 75,000.00 |
| 1 1/4% H-1949 | 6,000.00 | ... | ... | 6,000.00 | ... |
| 1 1/4% A-1950 | 77,000.00 | ... | ... | 8,000.00 | 69,000.00 |
| 1 1/4% B-1950 | 101,000.00 | ... | ... | ... | 101,000.00 |

TABLE 29.--Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Transferred from interest-bearing debt | Redemptions during year | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| MATURED DEBT ON WHICH INTEREST HAS CEASED--Continued | | | | | |
| Certificates of indebtedness--Continued | | | | | |
| Loan issues series--Continued | | | | | |
| 1 1/4% C-1950 | $10,000.00 | ........ | ........ | $10,000.00 | ........ |
| 1 1/4% D-1950 | 14,000.00 | ........ | ........ | 3,000.00 | $11,000.00 |
| 1 1/4% E-1950 | 78,000.00 | ........ | ........ | 78,000.00 | ........ |
| 1 1/4% F-1950 | 31,000.00 | ........ | ........ | 29,000.00 | 2,000.00 |
| 1 1/8% G-1950 | 5,000.00 | ........ | ........ | ........ | 5,000.00 |
| 1 1/8% H-1950 | 110,000.00 | ........ | ........ | 30,000.00 | 80,000.00 |
| 1 1/8% A-1951 | 216,000.00 | ........ | ........ | 123,000.00 | 93,000.00 |
| 1 7/8% A-1952 | 315,000.00 | ........ | ........ | 188,000.00 | 127,000.00 |
| 1 7/8% B-1952 | 334,000.00 | ........ | ........ | 18,000.00 | 316,000.00 |
| 1 7/8% C-1952 | 90,000.00 | ........ | ........ | 24,000.00 | 66,000.00 |
| 1 7/8% D-1952 | 67,000.00 | ........ | ........ | 52,000.00 | 15,000.00 |
| 1 7/8% E-1952 | 345,000.00 | ........ | ........ | 314,000.00 | 31,000.00 |
| 1 7/8% F-1952 | 381,000.00 | ........ | ........ | 227,000.00 | 154,000.00 |
| 1 7/8% A-1953 | 947,000.00 | ........ | ........ | 863,000.00 | 84,000.00 |
| 1 7/8% B-1953 | 4,850,000.00 | ........ | ........ | 4,677,000.00 | 173,000.00 |
| 2% C-1953 | ........ | ........ | $423,000.00 | ........ | 423,000.00 |
| 2 1/4% A-1954 | ........ | ........ | 1,389,000.00 | ........ | 1,389,000.00 |
| 2 5/8% B-1954 | ........ | ........ | 9,497,000.00 | ........ | 9,497,000.00 |
| 2 1/2% C-1954 (tax anticipation) | ........ | ........ | 2,649,000.00 | ........ | 2,649,000.00 |
| Total certificates of indebtedness | 11,347,950.00 | ........ | 13,958,000.00 | 7,604,000.00 | 17,701,950.00 |
| Treasury bills: | | | | | |
| May 12, 1937 | 14,000.00 | ........ | ........ | ........ | 14,000.00 |
| June 5, 1940 | 30,000.00 | ........ | ........ | ........ | 30,000.00 |
| June 18, 1941 | 20,000.00 | ........ | ........ | ........ | 20,000.00 |
| Jan. 14, 1942 | 4,000.00 | ........ | ........ | ........ | 4,000.00 |
| June 3, 1942 | 2,000.00 | ........ | ........ | ........ | 2,000.00 |
| June 10, 1942 | 38,000.00 | ........ | ........ | ........ | 38,000.00 |
| Feb. 3, 1943 | 1,000.00 | ........ | ........ | ........ | 1,000.00 |
| June 2, 1943 | 6,000.00 | ........ | ........ | ........ | 6,000.00 |
| June 9, 1943 | 26,000.00 | ........ | ........ | ........ | 26,000.00 |
| June 8, 1944 | 95,000.00 | ........ | ........ | ........ | 95,000.00 |
| Aug. 10, 1944 | 5,000.00 | ........ | ........ | ........ | 5,000.00 |
| June 7, 1945 | 88,000.00 | ........ | ........ | ........ | 88,000.00 |
| June 14, 1945 | 16,000.00 | ........ | ........ | ........ | 16,000.00 |
| Mar. 20, 1947 | 36,000.00 | ........ | ........ | ........ | 36,000.00 |
| Dec. 18, 1947 | 60,000.00 | ........ | ........ | ........ | 60,000.00 |
| Feb. 17, 1949 | 15,000.00 | ........ | ........ | ........ | 15,000.00 |
| Sept. 8, 1949 | 50,000.00 | ........ | ........ | ........ | 50,000.00 |

| | | | | | |
|---|---|---|---|---|---|
| Sept. 28, 1950 | 50,000.00 | ... | ... | 50,000.00 | ... |
| Jan. 11, 1951 | 77,000.00 | ... | ... | 77,000.00 | ... |
| Feb. 15, 1951 | 10,000.00 | ... | ... | 10,000.00 | ... |
| Oct. 4, 1951 | 10,000.00 | ... | ... | ... | 10,000.00 |
| Nov. 8, 1951 | 3,000.00 | ... | ... | 3,000.00 | ... |
| Feb. 14, 1952 | 1,900,000.00 | ... | ... | ... | 1,900,000.00 |
| Mar. 15, 1952 (tax anticipation) | 20,000.00 | ... | ... | 20,000.00 | ... |
| Apr. 17, 1952 | 2,000.00 | ... | ... | 1,000.00 | 1,000.00 |
| June 15, 1952 (tax anticipation) | 3,000.00 | ... | ... | ... | 3,000.00 |
| July 17, 1952 | 1,000.00 | ... | ... | 1,000.00 | ... |
| Aug. 14, 1952 | 10,000.00 | ... | ... | 10,000.00 | ... |
| Aug. 21, 1952 | 41,000.00 | ... | ... | 41,000.00 | ... |
| Sept. 4, 1952 | 200,000.00 | ... | ... | 200,000.00 | ... |
| Sept. 18, 1952 | 12,000.00 | ... | ... | 12,000.00 | ... |
| Oct. 2, 1952 | 30,000.00 | ... | ... | 30,000.00 | ... |
| Oct. 30, 1952 | 12,000.00 | ... | ... | 12,000.00 | ... |
| Jan. 8, 1953 | 116,000.00 | ... | ... | 116,000.00 | ... |
| Feb. 5, 1953 | 55,000.00 | ... | ... | 55,000.00 | ... |
| Feb. 1[illegible], 1953 | 10,000.00 | ... | ... | 10,000.00 | ... |
| Mar. 5, 1953 | 3,000.00 | ... | ... | 3,000.00 | ... |
| Mar. 12, 1953 | 28,000.00 | ... | ... | 18,000.00 | 10,000.00 |
| Mar. 18, 1953 (tax anticipation) | 139,000.00 | ... | ... | 139,000.00 | ... |
| Mar. 19, 1953 | 33,000.00 | ... | ... | 33,000.00 | ... |
| Mar. 26, 1953 | 70,000.00 | ... | ... | 70,000.00 | ... |
| Apr. 2, 1953 | 47,000.00 | ... | ... | 47,000.00 | ... |
| Apr. 9, 1953 | 20,000.00 | ... | ... | 20,000.00 | ... |
| Apr. 16, 1953 | 120,000.00 | ... | ... | 120,000.00 | ... |
| Apr. 23, 1953 | 278,000.00 | ... | ... | 275,000.00 | 3,000.00 |
| Apr. 30, 1953 | 1,000.00 | ... | ... | 1,000.00 | ... |
| May 7, 1953 | 620,000.00 | ... | ... | 620,000.00 | ... |
| May 14, 1953 | 20,000.00 | ... | ... | 20,000.00 | ... |
| May 21, 1953 | 326,000.00 | ... | ... | 325,000.00 | 1,000.00 |
| May 28, 1953 | 176,000.00 | ... | ... | 166,000.00 | 10,000.00 |
| June 4, 1953 | 286,000.00 | ... | ... | 286,000.00 | ... |
| June 11, 1953 | 110,000.00 | ... | ... | 110,000.00 | ... |
| June 18, 1953 | 215,000.00 | ... | ... | 215,000.00 | ... |
| June 19, 1953 (tax anticipation) | 51,863,000.00 | ... | ... | 51,863,000.00 | ... |
| June 25, 1953 | 2,382,000.00 | ... | ... | 2,382,000.00 | ... |
| July 2, 1953 | ... | ... | 7,000.00 | ... | 7,000.00 |
| July 9, 1953 | ... | ... | 10,000.00 | ... | 10,000.00 |
| July 23, 1953 | ... | ... | 10,000.00 | ... | 10,000.00 |
| Aug. 6, 1953 | ... | ... | 30,000.00 | ... | 30,000.00 |
| Aug. 13, 1953 | ... | ... | 1,000.00 | ... | 1,000.00 |
| Aug. 27, 1953 | ... | ... | [1] 1,000.00 | ... | [1] 1,000.00 |
| Sept. 18, 1953 (tax anticiaption) | ... | ... | 20,000.00 | ... | 20,000.00 |
| Oct. 1, 1953 | ... | ... | 75,000.00 | ... | 75,000.00 |
| Oct. 22, 1953 | ... | ... | 80,000.00 | ... | 80,000.00 |
| Oct. 2[illegible], 1953 | ... | ... | 35,000.00 | ... | 35,000.00 |
| Nov. 12, 1953 | ... | ... | 40,000.00 | ... | 40,000.00 |
| Nov. 1[illegible], 1953 | ... | ... | 30,000.00 | ... | 30,000.00 |
| Nov. 27, 1953 | ... | ... | 35,000.00 | ... | 35,000.00 |
| Dec. 3, 1953 | ... | ... | 25,000.00 | ... | 25,000.00 |

Footnotes at end of table.

TABLE 29.--Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Transferred from interest-bearing debt | Redemptions during year | Outstanding June 30, 1954 |
|---|---|---|---|---|---|
| MATURED DEBT ON WHICH INTEREST HAS CEASED--Continued | | | | | |
| Treasury bills--Continued | | | | | |
| Dec. 10, 1953 | ... | ... | $41,000.00 | ... | $41,000.00 |
| Dec. 17, 1953 | ... | ... | 24,000.00 | ... | 24,000.00 |
| Dec. 31, 1953 | ... | ... | 8,000.00 | ... | 8,000.00 |
| Jan. 14, 1954 | ... | ... | 1,000.00 | ... | 1,000.00 |
| Jan. 21, 1954 | ... | ... | 11,000.00 | ... | 11,000.00 |
| Jan. 28, 1954 | ... | ... | 6,000.00 | ... | 6,000.00 |
| Feb. 4, 1954 | ... | ... | 60,000.00 | ... | 60,000.00 |
| Feb. 11, 1954 | ... | ... | 96,000.00 | ... | 96,000.00 |
| Feb. 18, 1954 | ... | ... | 83,000.00 | ... | 83,000.00 |
| Feb. 25, 1954 | ... | ... | 65,000.00 | ... | 65,000.00 |
| Mar. 4, 1954 | ... | ... | 52,000.00 | ... | 52,000.00 |
| Mar. 11, 1954 | ... | ... | 51,000.00 | ... | 51,000.00 |
| Mar. 18, 1954 | ... | ... | 75,000.00 | ... | 75,000.00 |
| Mar. 25, 1954 | ... | ... | 8,000.00 | ... | 8,000.00 |
| Apr. 1, 1954 | ... | ... | 261,000.00 | ... | 261,000.00 |
| Apr. 8, 1954 | ... | ... | 58,000.00 | ... | 58,000.00 |
| Apr. 15, 1954 | ... | ... | 63,000.00 | ... | 63,000.00 |
| Apr. 22, 1954 | ... | ... | 25,000.00 | ... | 25,000.00 |
| Apr. 29, 1954 | ... | ... | 98,000.00 | ... | 98,000.00 |
| May 6, 1954 | ... | ... | 70,000.00 | ... | 70,000.00 |
| May 13, 1954 | ... | ... | 251,000.00 | ... | 251,000.00 |
| May 20, 1954 | ... | ... | 111,000.00 | ... | 111,000.00 |
| May 27, 1954 | ... | ... | 641,000.00 | ... | 641,000.00 |
| June 3, 1954 | ... | ... | 485,000.00 | ... | 485,000.00 |
| June 10, 1954 | ... | ... | 309,000.00 | ... | 309,000.00 |
| June 17, 1954 | ... | ... | 1,222,000.00 | ... | 1,222,000.00 |
| June 18, 1954 (tax anticipation) | ... | ... | 2,414,000.00 | ... | 2,414,000.00 |
| June 24, 1954 (tax anticipation) | ... | ... | 14,245,000.00 | ... | 14,245,000.00 |
| June 24, 1954 | ... | ... | 930,000.00 | ... | 930,000.00 |
| Total Treasury bills | $59,805,000.00 | ... | 22,161,000.00 | $57,361,000.00 | 24,605,000.00 |
| Treasury (war) savings certificates: | | | | | |
| Treasury savings certificates: | | | | | |
| Issued Dec. 15, 1921 | 11,650.00 | ... | ... | ... | 11,650.00 |
| Issued Sept. 30, 1922 | 61,725.00 | ... | ... | 3,475.00 | 58,250.00 |
| Issued Dec. 1, 1923 | 21,950.00 | ... | ... | 1,625.00 | 20,325.00 |
| Total Treasury savings certificates | 95,325.00 | ... | ... | 5,100.00 | 90,225.00 |
| Total matured debt on which interest has ceased | 363,535,670.26 | $26,870.00 | 491,744,040.00 | 184,164,735.00 | 671,141,845.26 |
| Prepayments--Treasury savings notes | 30,000.00 | [1] 30,000.00 | ... | ... | ... |

TABLE 29. --Changes in public debt issues, fiscal year 1954--Continued

| Title | Outstanding June 30, 1953 | Issues during year | Transferred from interest-bearing debt | Redemptions during year | Transferred to matured debt | Outstanding June 30, 1954 |
|---|---|---|---|---|---|---|
| **DEBT BEARING NO INTEREST** | | | | | | |
| United States savings stamps | $49,571,908.65 | $17,108,877.30 | ..................... | $16,294,800.30 | ..................... | $50,385,985.65 |
| Excess profits tax refund bonds: | | | | | | |
| First Series | 761,237.01 | [1] 35.87 | ..................... | 93,225.28 | ..................... | 667,975.86 |
| Second Series | 684,355.57 | ..................... | ..................... | 100,407.88 | ..................... | 583,947.69 |
| Total excess profits tax refund bonds | 1,445,592.58 | [1] 35.87 | ..................... | 193,633.16 | ..................... | 1,251,923.55 |
| Special notes of the United States: | | | | | | |
| International Monetary Fund: | | | | | | |
| Various issue dates | 1,302,000,000.00 | 149,000,000.00 | ..................... | 40,000,000.00 | ..................... | 1,411,000,000.00 |
| United States notes (less gold reserve) | 190,641,585.07 | ..................... | ..................... | ..................... | ..................... | 190,641,585.07 |
| Old demand notes | 52,917.50 | ..................... | ..................... | ..................... | ..................... | 52,917.50 |
| National and Federal Reserve Bank notes | 277,219,111.50 | ..................... | ..................... | 23,598,590.00 | ..................... | 253,620,521.50 |
| Fractional currency | 1,966,640.18 | ..................... | ..................... | 210.43 | ..................... | 1,966,429.75 |
| Thrift and Treasury savings stamps | 3,715,089.00 | ..................... | ..................... | 1,894.25 | ..................... | 3,713,194.75 |
| Total debt bearing no interest | 1,826,612,844.48 | 166,108,841.43 | ..................... | 80,089,128.14 | ..................... | 1,912,632,557.77 |
| Total gross public debt | 266,054,290,831.86 | 181,994,097,813.15 | $491,744,040.00 | 176,826,308,146.80 | $491,744,040.00 | 271,222,080,498.21 |

[1] Deduct.
[2] Amounts issued and retired for Series E, F, and J include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G, H, and K are stated at par value.
[3] Represents excess of unclassified redemptions over unclassified sales--deduct.
[4] Represents issues on which there were no transactions during the fiscal year 1954; for amount of each issue outstanding (unchanged since June 30, 1951) see 1951 annual report, p. 772.

TABLE 30.--Public debt increases and decreases, and balances in general fund, fiscal years 1916-54

[In millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

| Fiscal year | Public debt outstanding at end of year | Increase or decrease (-), in public debt during year | Analysis of increase or decrease in public debt | | | General fund balance at end of year |
|---|---|---|---|---|---|---|
| | | | Due to excess of expenditures (+) or receipts (-) | Resulting increase (+) or decrease (-) in general fund balance | Decreases due to statutory debt retirements[1] | |
| 1915 | 1,191.4 | ........... | ........... | ........... | ........... | 158.1 |
| 1916 | 1,225.1 | 33.8 | -48.5 | +82.3 | ........... | 240.4 |
| 1917 | 2,975.6 | 1,750.5 | +853.4 | +897.1 | ........... | 1,137.5 |
| 1918 | 12,455.2 | 9,479.6 | +9,033.3 | +447.5 | 1.1 | 1,585.0 |
| 1919 | 25,484.5 | 13,029.3 | +13,370.6 | -333.3 | 8.0 | 1,251.7 |
| 1920 | 24,299.3 | -1,185.2 | -212.5 | -894.0 | 78.7 | 357.7 |
| 1921 | 23,977.5 | -321.9 | -86.7 | +192.0 | 427.1 | 549.7 |
| 1922 | 22,963.4 | -1,014.1 | -313.8 | -277.6 | 422.7 | 272.1 |
| 1923 | 22,349.7 | -613.7 | -309.7 | +98.8 | 402.9 | 370.9 |
| 1924 | 21,250.8 | -1,098.9 | -505.4 | -135.5 | 458.0 | 235.4 |
| 1925 | 20,516.2 | -734.6 | -250.5 | -17.6 | 466.5 | 217.8 |
| 1926 | 19,643.2 | -873.0 | -377.8 | -7.8 | 487.4 | 210.0 |
| 1927 | 18,511.9 | -1,131.3 | -635.8 | +24.1 | 519.6 | 234.1 |
| 1928 | 17,604.3 | -907.6 | -398.8 | +31.5 | 540.3 | 265.5 |
| 1929 | 16,931.1 | -673.2 | -184.8 | +61.2 | 549.6 | 326.7 |
| 1930 | 16,185.3 | -745.8 | -183.8 | -8.1 | 553.9 | 318.6 |
| 1931 | 16,801.3 | 616.0 | +902.7 | +153.3 | 440.1 | 471.9 |
| 1932 | 19,487.0 | 2,685.7 | +3,153.1 | -54.7 | 412.6 | 417.2 |
| 1933 | 22,538.7 | 3,051.7 | +3,068.3 | +445.0 | 461.6 | 862.2 |
| 1934 | 27,053.1 | 4,514.5 | +3,154.6 | +1,719.7 | 359.9 | 2,581.9 |
| 1935 | 28,700.9 | 1,647.8 | +2,961.9 | -740.6 | 573.6 | 1,841.3 |
| 1936 | 33,778.5 | 5,077.7 | +4,640.7 | +840.2 | 403.2 | 2,681.5 |
| 1937 | 36,424.6 | 2,646.1 | +2,878.1 | -128.0 | 104.0 | 2,553.5 |
| 1938 | 37,164.7 | 740.1 | +1,143.1 | -337.6 | 65.5 | 2,215.9 |
| 1939 | 40,439.5 | 3,274.8 | +2,710.7 | +622.3 | 58.2 | 2,838.2 |
| 1940 | 42,967.5 | 2,528.0 | +3,604.7 | -947.5 | 129.2 | 1,890.7 |
| 1941 | 48,961.4 | 5,993.9 | +5,315.7 | +742.4 | 64.3 | 2,633.2 |
| 1942 | 72,422.4 | 23,461.0 | +23,197.8 | +358.0 | 94.7 | 2,991.1 |
| 1943 | 136,696.1 | 64,273.6 | +57,761.7 | +6,515.4 | 3.5 | 9,506.6 |
| 1944 | 201,003.4 | 64,307.3 | +53,645.3 | +10,662.0 | (*) | 20,168.6 |
| 1945 | 258,682.2 | 57,678.8 | +53,149.6 | +4,529.2 | (*) | 24,697.7 |
| 1946 | 269,422.1 | 10,739.9 | +21,199.8 | -10,459.8 | (*) | 14,237.9 |
| 1947 | 258,286.4 | -11,135.7 | -206.0 | -10,929.7 | ........... | 3,308.1 |
| 1948 | 252,292.2 | -5,994.1 | [1]-6,606.4 | +1,623.9 | 1,011.6 | 4,932.0 |
| 1949 | 252,770.4 | 478.1 | +1,947.5 | -1,461.6 | 7.8 | 3,470.4 |
| 1950 | 257,357.4 | 4,587.0 | +2,592.0 | +2,046.7 | 51.7 | 5,517.1 |
| 1951 | 255,222.0 | -2,135.4 | -3,973.6 | +1,839.5 | 1.2 | 7,356.6 |
| 1952 | 259,105.2 | 3,883.2 | +4,271.8 | -387.8 | .9 | 6,968.8 |
| 1953 | 266,071.1 | 6,965.9 | +9,265.0 | -2,298.6 | .5 | 4,670.2 |
| 1954 | 271,259.6 | 5,188.5 | +3,092.7 | +2,096.2 | .4 | 6,766.5 |
| Total | ........... | 270,068.2 | +272,620.1 | +6,608.3 | 9,160.2 | ........... |

SUMMARY OF CHANGES IN THE PUBLIC DEBT, FISCAL YEARS 1916-54

[In millions of dollars]

| | | |
|---|---|---|
| Increase in debt on account of-- | | |
| Excess of expenditures in certain years | 286,914.1 | |
| Net increase in general fund balance | 6,608.3 | |
| | | 293,522.4 |
| Decrease in debt on account of-- | | |
| Statutory debt retirements | 9,160.2 | |
| Retirements from surplus receipts in certain years | 14,294.0 | 23,454.2 |
| Net increase in debt since June 30, 1915 | ........... | 270,068.2 |
| Public debt: | | |
| As of June 30, 1915 | 1,191.4 | |
| As of June 30, 1954 | 271,259.6 | |
| Net increase, as above | ........... | 270,068.2 |

* Less than $50,000.

[1] Effective with the fiscal year 1948, statutory debt retirements have been excluded from budget expenditures; they are shown here for purposes of comparison.

TABLE 31. --Statutory debt retirements, fiscal years 1918-54

[In thousands of dollars. On basis of par amounts and of daily Treasury statements through 1947, and on basis of Public Debt accounts thereafter; see "Bases of Tables"]

| Fiscal year | Cumulative sinking fund | Repayments of foreign debt | Bonds and notes received for estate taxes | Bonds received for loans from Public Works Administration | Franchise tax receipts, Federal Reserve Banks | Payments from net earnings, Federal intermediate credit banks[1] | Commodity Credit Corporation capital repayments | Miscellaneous gifts, forfeitures, etc. | Total |
|---|---|---|---|---|---|---|---|---|---|
| 1918 | ........ | ........ | ........ | ........ | 1,134 | ........ | ........ | ........ | 1,134 |
| 1919 | ........ | 7,922 | 93 | ........ | ........ | ........ | ........ | ........ | 8,015 |
| 1920 | ........ | 72,670 | 3,141 | ........ | 2,922 | ........ | ........ | 13 | 78,746 |
| 1921 | 261,100 | 73,939 | 26,349 | ........ | 60,724 | ........ | ........ | [2] 5,010 | 427,123 |
| 1922 | 276,046 | 64,838 | 21,085 | ........ | 60,333 | ........ | ........ | 393 | 422,695 |
| 1923 | 284,019 | 100,893 | 6,569 | ........ | 10,815 | ........ | ........ | 555 | 402,850 |
| 1924 | 295,987 | 149,388 | 8,897 | ........ | 3,635 | ........ | ........ | 93 | 458,000 |
| 1925 | 306,309 | 159,179 | 47 | ........ | 114 | 680 | ........ | 208 | 466,538 |
| 1926 | 317,092 | 169,654 | ........ | ........ | 59 | 509 | ........ | 63 | 487,376 |
| 1927 | 333,528 | 179,216 | ........ | ........ | 818 | 414 | ........ | 5,578 | 519,555 |
| 1928 | 354,741 | 181,804 | 2 | ........ | 250 | 369 | ........ | 3,090 | 540,255 |
| 1929 | 370,277 | 176,213 | 20 | ........ | 2,667 | 266 | ........ | 160 | 549.604 |
| 1930 | 388,369 | 160,926 | 73 | ........ | 4,283 | 172 | ........ | 61 | 553,884 |
| 1931 | 391,660 | 48,246 | ........ | ........ | 18 | 74 | ........ | 85 | 440,082 |
| 1932 | 412,555 | ........ | 1 | ........ | ........ | 21 | ........ | 53 | 412,630 |
| 1933 | 425,660 | 33,887 | ........ | ........ | 2,037 | ........ | ........ | 21 | 461,605 |
| 1934 | 359,492 | 357 | ........ | ........ | ........ | ........ | ........ | 15 | 359,864 |
| 1935 | 573,001 | ........ | 1 | ........ | ........ | ........ | ........ | 556 | 573,558 |
| 1936 | 403,238 | ........ | ........ | ........ | ........ | ........ | ........ | 1 | 403,240 |
| 1937 | 103,815 | 142 | ........ | ........ | ........ | ........ | ........ | 14 | 103,971 |
| 1938 | 65,116 | 210 | ........ | ........ | ........ | ........ | ........ | 139 | 65,465 |
| 1939 | 48,518 | 120 | ........ | 8,095 | ........ | 1,501 | ........ | 12 | 58,246 |
| 1940 | 128,349 | ........ | ........ | 134 | ........ | 685 | ........ | 16 | 129,184 |
| 1941 | 37,011 | ........ | ........ | 1,321 | ........ | 548 | 25,364 | 16 | 64,260 |
| 1942 | 75,342 | ........ | ........ | 668 | ........ | 315 | 18,393 | 5 | 94,722 |
| 1943 | 3,460 | ........ | ........ | ........ | ........ | ........ | ........ | 4 | 3,463 |
| 1944 | -1 | ........ | ........ | ........ | ........ | ........ | ........ | 3 | 2 |
| 1945 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 2 | 2 |
| 1946 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 4 | 4 |
| 1947 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ([3]) | ........ |
| 1948 | 746,636 | ........ | ........ | 8,028 | ........ | 1,634 | 45,509 | [4]209,828 | 1,011,636 |
| 1949 | 7,498 | ........ | ........ | ........ | ........ | 178 | ........ | [4] 81 | 7,758 |
| 1950 | 1,815 | ........ | ........ | ........ | ........ | 261 | 48,943 | [4] 690 | 51,709 |
| 1951 | 839 | ........ | ........ | ........ | ........ | 394 | ........ | ........ | 1,232 |
| 1952 | 551 | ........ | ........ | ........ | ........ | 300 | ........ | ........ | 851 |
| 1953 | 241 | ........ | ........ | ........ | ........ | 285 | ........ | ........ | 526 |
| 1954 | ........ | ........ | ........ | ........ | ........ | 387 | ........ | ........ | 387 |
| Total | 6,972,263 | 1,579,605 | 66,278 | 18,246 | 149,809 | 8,993 | 138,209 | 226,769 | 9,160,173 |

[1] The act of Mar. 4, 1923 (42 Stat. 1456, sec 206 (b)), requiring division of net earnings, was amended by the act of May 19, 1932 (47 Stat. 159, sec.3): The act of Aug. 19, 1937 (50 Stat. 715, sec. 30), provides for franchise tax.

[2] Includes $4,842,066.45 written off the debt Dec. 31, 1920, on account of fractional currency estimated to have been lost or destroyed in circulation.

[3] Beginning with 1947, bonds acquired through gifts, forfeitures, and estate taxes are redeemed prior to maturity from regular public debt receipts.

[4] Represents payments from net earnings, War Damage Corporation.

TABLE 32.--Cumulative sinking fund, fiscal years 1921-54

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

| Fiscal year | Appropriations | Available for expenditure during year[1] | Debt retired[2] | |
|---|---|---|---|---|
| | | | Par amount | Cost (principal) |
| 1921 | 256.2 | 256.2 | 261.3 | 254.8 |
| 1922 | 273.1 | 274.5 | 275.9 | 274.5 |
| 1923 | 284.1 | 284.2 | 284.0 | 284.1 |
| 1924 | 294.9 | 294.9 | 296.0 | 294.9 |
| 1925 | 306.7 | 306.7 | 306.3 | 306.7 |
| 1926 | 321.2 | 321.2 | 317.1 | 321.2 |
| 1927 | 336.9 | 336.9 | 333.5 | 336.9 |
| 1928 | 355.1 | 355.1 | 354.7 | 355.1 |
| 1929 | 370.2 | 370.2 | 370.3 | 370.2 |
| 1930 | 382.9 | 382.9 | 388.4 | 382.9 |
| 1931 | 392.2 | 392.2 | 391.7 | 392.2 |
| 1932 | 410.9 | 410.9 | 412.6 | 410.9 |
| 1933 | 425.6 | 425.6 | 425.7 | 425.6 |
| 1934 | 438.5 | 438.5 | 359.5 | 359.2 |
| 1935 | 493.8 | 573.2 | 573.0 | 573.0 |
| 1936 | 553.0 | 553.2 | 403.3 | 403.3 |
| 1937 | 572.8 | 722.7 | 103.7 | 103.7 |
| 1938 | 577.6 | 1,196.5 | 65.2 | 65.2 |
| 1939 | 580.9 | 1,712.2 | 48.5 | 48.5 |
| 1940 | 582.0 | 2,245.6 | 128.3 | 128.3 |
| 1941 | 585.8 | 2,703.2 | 37.0 | 37.0 |
| 1942 | 586.9 | 3,253.1 | 75.3 | 75.3 |
| 1943 | 587.8 | 3,765.6 | 3.4 | 3.4 |
| 1944 | 587.6 | 4,349.7 | ............ | ............ |
| 1945 | 587.6 | 4,937.4 | ............ | ............ |
| 1946 | 587.6 | 5,525.0 | ............ | ............ |
| 1947 | 587.6 | 6,112.6 | ............ | ............ |
| 1948 | 603.5 | 6,716.0 | 746.6 | 746.6 |
| 1949 | 619.6 | 6,589.0 | 7.5 | 7.5 |
| 1950 | 619.7 | 7,201.2 | 1.8 | 1.8 |
| 1951 | 619.8 | 7,819.2 | .8 | .8 |
| 1952 | 619.8 | 8,438.1 | .6 | .6 |
| 1953 | 619.8 | 9,057.4 | .2 | .2 |
| 1954 | 619.8 | 9,676.9 | ............ | ............ |
| Total | 16,641.5 | ............ | 6,972.3 | 6,964.6 |
| Deduct cumulative expenditures | 6,964.6 | ............ | ............ | ............ |
| Unexpended balance | 9,676.9 | ............ | ............ | ............ |

[1] Amount available each year includes unexpended balance brought forward from prior year.
[2] Net discount on debt retired through June 30, 1954, is $7.7 million.

TABLE 33.--Transactions on account of the cumulative sinking fund, fiscal year 1954

[On basis of Public Debt accounts, see "Bases of Tables"]

| | | |
|---|---|---|
| Unexpended balance July 1, 1953 | | [r] $9,057,121,813.30 |
| Appropriation for 1954: | | |
| Initial credit: | | |
| (a) Under the Victory Loan Act (2-1/2% of the aggregate amount of Liberty bonds and Victory notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligation of foreign governments held by the United States on July 1, 1920) | $253,404,864.87 | |
| (b) Under the Emergency Relief and Construction Act of 1932 (2-1/2% of the aggregate amount of expenditures from appropriations made or authorized under this act) | 7,860,606.83 | |
| (c) Under the National Industrial Recovery Act (2-1/2% of the aggregate amount of expenditures from appropriations made or authorized under this act) | 80,164,058.25 | |
| Total initial credit | 341,429,529.95 | |
| Secondary credit (the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years) | 278,358,857.99 | 619,788,387.94 |
| Total available, 1954 | | 9,676,910,201.24 |
| Securities retired in 1954 | | ............... |
| Unexpended balance June 30, 1954 | | 9,676,910,201.24 |

[r] Revised.

## UNITED STATES SAVINGS BONDS AND TREASURY SAVINGS NOTES

TABLE 34.--Summary of sales and redemptions of savings bonds by series, fiscal years 1935-54 and monthly 1954

[In millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

| Fiscal year or month | Series A-D[1] | Series E and H[2] | Series F and J | Series G and K[2] | Total |
|---|---|---|---|---|---|
| | Sales[3] at issue price plus accrued discount | | | | |
| 1935-46 | 4,592.6 | 42,964.2 | 3,211.4 | 13,185.5 | 63,953.6 |
| 1947 | 107.5 | 4,823.6 | 406.8 | 2,560.8 | 7,898.7 |
| 1948 | 110.1 | 4,659.2 | 362.4 | 1,907.4 | 7,039.1 |
| 1949 | 100.7 | 5,031.9 | 545.2 | 2,390.0 | 8,067.6 |
| 1950 | 67.8 | 4,887.4 | 314.1 | 1,448.5 | 6,717.8 |
| 1951 | 24.6 | 4,307.1 | 437.4 | [4] 1,523.3 | 6,292.3 |
| 1952 | (*) | 4,406.7 | 217.5 | [4] 508.2 | 5,132.4 |
| 1953 | (*) | 5,180.9 | 237.1 | [4] 372.7 | 5,790.7 |
| 1954 | (*) | 5,778.7 | 336.1 | [4] 612.6 | 6,727.4 |
| Total through June 30, 1954 | 5,003.1 | 82,039.8 | 6,067.9 | 24,508.9 | 117,619.6 |
| 1953--July | ........... | 478.2 | 26.0 | 22.3 | 526.5 |
| August | ........... | 426.9 | 13.9 | 17.5 | 458.3 |
| September | ........... | 426.5 | 12.7 | 16.8 | 456.0 |
| October | ........... | 432.3 | 15.9 | 18.8 | 466.9 |
| November | ........... | 431.5 | 16.7 | 19.2 | 467.4 |
| December | ........... | 506.1 | 25.7 | 28.2 | 559.9 |
| 1954--January | ........... | 594.8 | 38.5 | 54.2 | 687.5 |
| February | ........... | 502.3 | 31.1 | 68.6 | 601.9 |
| March | ........... | 552.7 | 40.0 | 94.9 | 687.6 |
| April | ........... | 465.0 | 37.4 | 91.7 | 594.2 |
| May | ........... | 445.9 | 33.6 | 83.0 | 562.6 |
| June | ........... | 516.4 | 44.6 | 97.5 | 658.5 |
| | Redemptions (including redemptions of matured bonds) at current redemption value | | | | |
| 1935-46 | 1,209.8 | 12,606.0 | 316.0 | 769.0 | 14,900.9 |
| 1947 | 482.1 | 4,390.9 | 203.0 | 469.0 | 5,544.9 |
| 1948 | 515.9 | 3,824.8 | 206.5 | 565.7 | 5,112.9 |
| 1949 | 702.6 | 3,529.7 | 216.0 | 619.0 | 5,067.4 |
| 1950 | 1,080.6 | 3,520.9 | 199.2 | 621.4 | 5,422.1 |
| 1951 | 800.2 | [4] 4,294.7 | 247.9 | 794.4 | 6,137.1 |
| 1952 | 89.9 | [4] 4,007.8 | 228.9 | 782.8 | 5,109.3 |
| 1953 | 30.8 | [4] 4,038.1 | [5] 257.5 | [6] 1,294.4 | [5 6] 5,620.9 |
| 1954 | 18.3 | [4] 4,345.0 | [5] 405.0 | [6] 1,746.6 | [5 6] 6,514.9 |
| Total through June 30, 1954 | 4,930.2 | 44,557.8 | 2,280.0 | 7,662.3 | 59,430.4 |
| 1953--July | .7 | 358.1 | [5] 36.5 | [6] 146.1 | [5 6] 541.5 |
| August | 1.9 | 330.9 | 24.9 | 122.6 | 480.3 |
| September | 1.9 | 379.4 | 21.8 | 110.6 | 513.7 |
| October | 2.1 | 352.8 | 24.0 | 110.1 | 489.0 |
| November | 1.4 | 313.4 | 23.2 | 100.5 | 438.4 |
| December | 1.5 | 352.1 | 33.7 | 127.1 | 514.5 |
| 1954--January | 1.5 | 370.5 | 57.0 | 275.0 | 703.9 |
| February | 1.8 | 360.8 | 36.2 | 161.0 | 559.8 |
| March | 1.8 | 407.0 | 36.4 | 152.7 | 597.9 |
| April | 1.4 | 360.4 | 34.8 | 141.4 | 538.0 |
| May | 1.3 | 332.4 | 36.4 | 140.0 | 510.0 |
| June | 1.0 | 427.2 | 40.3 | 159.3 | 627.9 |

* Less than $50,000.

[1] Not issued after Apr. 30, 1941. Sales figures after that date represent accrued discount on outstanding bonds, and adjustments.

[2] Series G, H, and K are stated at par.

[3] See table 35, footnotes 6, 7, and 10

[4] See table 35, footnote 5

[5] Includes exchanges of Series 1941 F savings bonds for Treasury 3 1/4% bonds of 1978-83.

[6] Includes exchanges of Series 1941 G savings bonds for Treasury 3 1/4% bonds of 1978-83.

TABLE 35.—Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941-54 and monthly 1954

[In millions of dollars]

| Fiscal year or month | Sales | Accrued discount | Sales plus accrued discount | Redemptions | | | Amount outstanding[2] | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total | Original purchase price[1] | Accrued discount | Interest bearing | Matured[3] |
| | **Series E and H** | | | | | | | |
| 1941-1946 | 42,112.6 | 851.6 | 42,964.2 | 12,606.0 | 12,511.0 | 95.0 | 30,358.2 | .......... |
| 1947 | 4,287.3 | 536.3 | 4,823.6 | 4,390.9 | 4,288.0 | 102.9 | 30,791.0 | .......... |
| 1948 | 4,026.1 | 633.1 | 4,659.2 | 3,824.8 | 3,689.0 | 135.8 | 31,625.3 | .......... |
| 1949 | 4,278.5 | 753.4 | 5,031.9 | 3,529.7 | 3,367.9 | 161.9 | 33,127.4 | .......... |
| 1950 | 3,992.9 | 894.6 | 4,887.4 | 3,520.9 | 3,326.1 | 194.7 | 34,494.0 | .......... |
| 1951 | 3,272.1 | 1,035.0 | 4,307.1 | 4,294.7 | 3,987.3 | 307.3 | 34,506.4 | .......... |
| 1952 | 3,296.1 | 1,110.6 | 4,406.7 | 4,007.8 | 3,582.6 | 425.1 | 34,905.4 | .......... |
| 1953 | 4,060.6 | 1,120.3 | 5,180.9 | 4,038.1 | 3,538.2 | 499.9 | 36,048.2 | .......... |
| 1954 | [4] 4,652.9 | 1,125.9 | 5,778.7 | [4] 4,345.0 | 3,791.0 | 554.0 | 37,482.0 | .......... |
| Total through June 30, 1954 | 73,979.0 | 8,060.7 | 82,039.8 | 44,557.8 | 42,081.1 | 2,476.7 | 37,482.0 | .......... |
| 1953—July | 369.5 | 108.6 | 478.2 | 358.1 | 342.7 | 15.4 | 36,168.2 | .......... |
| August | 346.3 | 80.7 | 426.9 | 330.9 | 280.0 | 50.9 | 36,264.3 | .......... |
| September | 343.2 | 83.3 | 426.5 | 379.4 | 331.0 | 48.4 | 36,311.4 | .......... |
| October | 356.8 | 75.5 | 432.3 | 352.8 | 289.1 | 63.7 | 36,390.9 | .......... |
| November | 339.1 | 92.4 | 431.5 | 313.4 | 269.8 | 43.6 | 36,509.0 | .......... |
| December | 381.4 | 124.7 | 506.1 | 352.1 | 308.6 | 43.5 | 36,663.0 | .......... |
| 1954—January | 484.7 | 110.2 | 594.8 | 370.5 | 329.5 | 40.9 | 36,887.4 | .......... |
| February | 421.8 | 80.5 | 502.3 | 360.8 | 308.3 | 52.5 | 37,028.9 | .......... |
| March | 474.1 | 78.5 | 552.7 | 407.0 | 346.6 | 60.4 | 37,174.5 | .......... |
| April | 389.8 | 75.3 | 465.0 | 360.4 | 310.0 | 50.3 | 37,279.2 | .......... |
| May | 353.7 | 92.2 | 445.9 | 332.4 | 289.0 | 43.4 | 37,392.8 | .......... |
| June | [4] 392.4 | 124.0 | 516.4 | [4] 427.2 | 386.3 | 41.0 | 37,482.0 | .......... |
| | **Series F, G, J, and K** | | | | | | | |
| 1941-1946 | 16,333.7 | 63.2 | 16,396.9 | 1,085.0 | 1,081.3 | 3.8 | 15,311.9 | .......... |
| 1947 | 2,920.4 | 47.2 | 2,967.6 | 671.9 | 666.1 | 5.8 | 17,607.5 | .......... |
| 1948 | 2,208.6 | 61.2 | 2,269.8 | 772.2 | 763.5 | 8.7 | 19,105.1 | .......... |
| 1949 | 2,862.5 | 72.6 | 2,935.1 | 835.0 | 823.3 | 11.8 | 21,205.2 | .......... |
| 1950 | 1,679.9 | 82.8 | 1,762.6 | 820.6 | 806.7 | 13.9 | 22,147.2 | .......... |
| 1951 | 1,870.8 | 89.9 | 1,960.7 | 1,042.3 | 1,021.3 | 21.0 | 23,065.6 | .......... |
| 1952 | 629.3 | 96.4 | 725.6 | 1,011.7 | 990.2 | 21.4 | 22,779.6 | .......... |
| 1953 | 501.5 | 108.3 | 609.8 | 1,552.0 | 1,511.2 | 40.8 | 21,837.4 | .......... |
| 1954 | [4] 841.0 | 107.7 | 948.6 | [4] 2,151.6 | 2,070.7 | 80.9 | 20,579.2 | 55.2 |
| Total through June 30, 1954 | 29,847.6 | 729.2 | 30,576.8 | 9,942.4 | 9,734.2 | 208.1 | 20,579.2 | 55.2 |
| 1953—July | 32.7 | 15.7 | 48.3 | 182.6 | 181.6 | 1.0 | 21,703.1 | .......... |
| August | 25.1 | 6.3 | 31.4 | 147.5 | 141.2 | 6.3 | 21,587.0 | .......... |
| September | 24.9 | 4.5 | 29.4 | 132.4 | 125.4 | 6.9 | 21,484.0 | .......... |
| October | 27.1 | 7.5 | 34.6 | 134.1 | 128.9 | 5.2 | 21,384.6 | .......... |
| November | 29.4 | 6.5 | 35.9 | 123.6 | 120.0 | 3.6 | 21,296.8 | .......... |
| December | 41.8 | 12.0 | 53.8 | 160.9 | 154.5 | 6.3 | 21,046.9 | 142.9 |
| 1954—January | 76.6 | 16.0 | 92.7 | 332.0 | 322.5 | 9.5 | 20,848.2 | 102.3 |
| February | 93.5 | 6.2 | 99.7 | 197.2 | 187.6 | 9.6 | 20,768.6 | 84.4 |
| March | 127.8 | 7.1 | 135.0 | 189.1 | 179.0 | 10.1 | 20,727.7 | 71.1 |
| April | 121.5 | 7.6 | 129.2 | 176.2 | 168.6 | 7.6 | 20,687.4 | 64.4 |
| May | 110.1 | 6.5 | 116.7 | 176.4 | 168.8 | 7.6 | 20,632.7 | 59.3 |
| June | [4] 130.3 | 11.7 | 142.0 | [4] 199.6 | 192.5 | 7.1 | 20,579.2 | 55.2 |

Footnotes at end of table.

TABLE 35.--Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941-54 and monthly 1954--Continued

[In millions of dollars]

| Fiscal year or month | Sales | Accrued discount | Sales plus accrued discount | Redemptions: Total | Redemptions: Original purchase price[1] | Redemptions: Accrued discount[1] | Amount outstanding[2] (interest bearing) |
|---|---|---|---|---|---|---|---|
| | | | Series E | | | | |
| 1941-1946 | 42,112.6 | 851.6 | 42,964.2 | 12,606.0 | 12,511.0 | 95.0 | 30,358.2 |
| 1947 | 4,287.3 | 536.3 | 4,823.6 | 4,390.9 | 4,288.0 | 102.9 | 30,791.0 |
| 1948 | 4,026.1 | 633.1 | 4,659.2 | 3,824.8 | 3,689.0 | 135.8 | 31,625.3 |
| 1949 | 4,278.5 | 753.4 | 5,031.9 | 3,529.7 | 3,367.9 | 161.9 | 33,127.4 |
| 1950 | 3,992.9 | 894.6 | 4,887.4 | 3,520.9 | 3,326.1 | 194.7 | 34,494.0 |
| 1951 | 3,272.1 | 1,035.0 | 4,307.1 | [5] 4,294.7 | 3,987.3 | 307.3 | 34,506.4 |
| 1952 | 3,266.1 | 1,110.6 | 4,376.7 | [5] 4,007.8 | 3,582.6 | 425.1 | 34,875.4 |
| 1953 | 3,700.3 | 1,120.3 | 4,820.6 | [5] 4,032.3 | 3,532.4 | 499.9 | 35,663.6 |
| 1954 | [4] 3,988.0 | 1,125.9 | 5,113.9 | [4,5] 4,319.4 | 3,765.4 | 554.0 | 36,458.0 |
| Total through June 30, 1954 | 72,923.8 | 8,060.7 | 80,984.6 | 44,526.5 | 42,049.7 | 2,476.7 | 36,458.0 |
| 1953--July | 326.9 | 108.6 | 435.6 | 356.7 | 341.3 | 15.4 | 35,742.5 |
| August | 308.8 | 80.7 | 389.5 | 329.3 | 278.4 | 50.9 | 35,802.6 |
| September | 301.4 | 83.3 | 384.7 | 377.7 | 329.4 | 48.4 | 35,809.6 |
| October | 313.4 | 75.5 | 388.9 | 351.0 | 287.2 | 63.7 | 35,847.6 |
| November | 298.5 | 92.4 | 390.9 | 311.8 | 268.2 | 43.6 | 35,926.7 |
| December | 334.4 | 124.7 | 459.1 | 350.0 | 306.6 | 43.5 | 36,035.7 |
| 1954--January | 392.0 | 110.2 | 502.2 | 368.6 | 327.7 | 40.9 | 36,169.3 |
| February | 352.8 | 80.5 | 433.3 | 358.7 | 306.2 | 52.5 | 36,243.8 |
| March | 399.5 | 78.5 | 478.1 | 404.5 | 344.1 | 60.4 | 36,317.4 |
| April | 331.1 | 75.3 | 406.3 | 357.9 | 307.5 | 50.3 | 36,365.9 |
| May | 300.5 | 92.2 | 392.8 | 329.5 | 286.1 | 43.4 | 36,429.1 |
| June | [4] 328.6 | 124.0 | 452.5 | [4] 423.6 | 382.7 | 41.0 | 36,458.0 |
| | | | Series H[6] | | | | |
| 1952 | 30.0 | ........ | 30.0 | .......... | ........ | ......... | 30.0 |
| 1953 | 360.3 | ........ | 360.3 | 5.7 | 5.7 | ......... | 384.6 |
| 1954 | [4] 664.9 | ........ | 664.9 | [4] 25.5 | 25.5 | ......... | 1,023.9 |
| Total through June 30, 1954 | 1,055.2 | ........ | 1,055.2 | 31.3 | 31.3 | ......... | 1,023.9 |
| 1953--July | 42.6 | ........ | 42.6 | 1.4 | 1.4 | ......... | 425.8 |
| August | 37.4 | ........ | 37.4 | 1.6 | 1.6 | ......... | 461.6 |
| September | 41.8 | ........ | 41.8 | 1.7 | 1.7 | ......... | 501.8 |
| October | 43.4 | ........ | 43.4 | 1.9 | 1.9 | ......... | 543.3 |
| November | 40.6 | ........ | 40.6 | 1.6 | 1.6 | ......... | 582.3 |
| December | 47.0 | ........ | 47.0 | 2.0 | 2.0 | ......... | 627.3 |
| 1954--January | 92.6 | ........ | 92.6 | 1.8 | 1.8 | ......... | 718.1 |
| February | 69.0 | ........ | 69.0 | 2.1 | 2.1 | ......... | 785.1 |
| March | 74.6 | ........ | 74.6 | 2.5 | 2.5 | ......... | 857.1 |
| April | 58.7 | ........ | 58.7 | 2.5 | 2.5 | ......... | 913.3 |
| May | 53.2 | ........ | 53.2 | 2.8 | 2.8 | ......... | 963.6 |
| June | [4] 63.9 | ........ | 63.9 | [4] 3.6 | 3.6 | ......... | 1,023.9 |

Footnotes at end of table.

TABLE 35.--Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941-54 and monthly 1954--Continued

[In millions of dollars]

| Fiscal year or month | Sales | Accrued discount | Sales plus accrued discount | Redemptions | | | Amount outstanding[2] | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total | Original purchase price[1] | Accrued discount[1] | Interest bearing | Matured[3] |
| | Series F[7] | | | | | | | |
| 1941--1946 | 3,148.2 | 63.2 | 3,211.4 | 316.0 | 312.3 | 3.8 | 2.895.4 | ......... |
| 1947 | 359.7 | 47.2 | 406.8 | 203.0 | 197.2 | 5.8 | 3,099.2 | ......... |
| 1948 | 301.2 | 61.2 | 362.4 | 206.5 | 197.8 | 8.7 | 3,255.1 | ......... |
| 1949 | [8] 472.6 | 72.6 | 545.2 | 216.0 | 204.2 | 11.8 | 3,584.3 | ......... |
| 1950 | 231.3 | 82.8 | 314.1 | 199.2 | 185.3 | 13.9 | 3,699.2 | ......... |
| 1951 | [9] 347.5 | 89.9 | 437.4 | 247.9 | 226.9 | 21.0 | 3,888.7 | ......... |
| 1952 | 97.1 | 96.4 | 193.5 | 228.9 | 207.4 | 21.4 | 3,853.3 | ......... |
| 1953 | (*) | 107.6 | 107.7 | 255.6 | 214.9 | 40.8 | 3,705.3 | ......... |
| 1954 | [4] 2.9 | 105.1 | 108.0 | [4] 394.4 | 313.6 | 80.9 | 3,388.8 | 30.1 |
| Total through June 30, 1954 | 4,960.4 | 726.0 | 5,686.4 | 2,267.5 | 2,059.7 | 207.9 | 3,388.8 | 30.1 |
| 1953--July | (*) | 15.5 | 15.5 | 35.3 | 34.3 | 1.0 | 3,685.5 | ......... |
| August | (*) | 6.2 | 6.2 | 24.4 | 18.1 | 6.3 | 3,667.3 | ......... |
| September | (*) | 4.4 | 4.4 | 20.2 | 13.3 | 6.9 | 3,651.5 | ......... |
| October | (*) | 7.4 | 7.4 | 23.3 | 18.2 | 5.2 | 3,635.5 | ......... |
| November | (*) | 6.2 | 6.2 | 22.5 | 18.9 | 3.6 | 3,619.2 | ......... |
| December | (*) | 11.8 | 11.8 | 33.2 | 26.8 | 6.3 | 3,534.8 | 63.0 |
| 1954--January | ........ | 15.8 | 15.8 | 56.6 | 47.1 | 9.5 | 3,507.2 | 49.8 |
| February | (*) | 6.0 | 6.0 | 35.3 | 25.7 | 9.6 | 3,484.8 | 43.0 |
| March | (*) | 6.9 | 6.9 | 35.9 | 25.8 | 10.1 | 3,461.4 | 37.3 |
| April | (*) | 7.4 | 7.4 | 34.1 | 26.5 | 7.6 | 3,437.6 | 34.5 |
| May | (*) | 6.2 | 6.2 | 35.4 | 27.9 | 7.6 | 3,410.7 | 32.1 |
| June | [4] 2.8 | 11.4 | 14.2 | [4] 38.1 | 31.0 | 7.1 | 3,388.8 | 30.1 |
| | Series G[7] | | | | | | | |
| 1941-1946 | 13,185.5 | ....... | 13,185.5 | 769.0 | 769.0 | ........ | 12,416.5 | ......... |
| 1947 | 2,560.8 | ....... | 2,560.8 | 469.0 | 469.0 | ........ | 14,508.3 | ......... |
| 1948 | 1,907.4 | ....... | 1,907.4 | 565.7 | 565.7 | ........ | 15,850.0 | ......... |
| 1949 | [8] 2,390.0 | ....... | 2,390.0 | 619.0 | 619.0 | ........ | 17,620.9 | ......... |
| 1950 | 1,448.5 | ....... | 1,448.5 | 621.4 | 621.4 | ........ | 18,448.0 | ......... |
| 1951 | [5,9] 1,523.3 | ....... | 1,523.3 | 794.4 | 794.4 | ........ | 19,177.0 | ......... |
| 1952 | [5] 422.3 | ....... | 422.3 | 782.8 | 782.8 | ........ | 18,816.5 | ......... |
| 1953 | .1 | ....... | .1 | 1,288.7 | 1,288.7 | ........ | 17,527.9 | ......... |
| 1954 | [4] 13.4 | ....... | 13.4 | [4] 1,726.2 | 1,726.2 | ........ | 15,789.8 | 25.2 |
| Total through June 30, 1954 | 23,451.2 | ....... | 23,451.2 | 7,636.2 | 7,636.2 | ........ | 15,789.8 | 25.2 |
| 1953--July | ........ | ....... | ........ | 144.3 | 144.3 | ........ | 17,383.5 | ......... |
| August | ........ | ....... | ........ | 119.6 | 119.6 | ........ | 17,264.0 | ......... |
| September | (*) | ....... | (*) | 109.0 | 109.0 | ........ | 17,154.9 | ......... |
| October | ........ | ....... | ........ | 108.6 | 108.6 | ........ | 17,046.3 | ......... |
| November | ........ | ....... | ........ | 99.0 | 99.0 | ........ | 16,947.3 | ......... |
| December | ........ | ....... | ........ | 125.7 | 125.7 | ........ | 16,741.7 | 79.8 |
| 1954--January | ........ | ....... | ........ | 273.5 | 273.5 | ........ | 16,495.5 | 52.5 |
| February | ........ | ....... | ........ | 159.6 | 159.6 | ........ | 16,347.0 | 41.4 |
| March | ........ | ....... | ........ | 151.2 | 151.2 | ........ | 16,203.3 | 33.8 |
| April | ........ | ....... | ........ | 139.9 | 139.9 | ........ | 16,067.4 | 29.9 |
| May | ........ | ....... | ........ | 138.2 | 138.2 | ........ | 15,931.9 | 27.2 |
| June | [4] 13.4 | ....... | 13.4 | [4] 157.5 | 157.5 | ........ | 15,789.8 | 25.2 |

Footnotes at end of table.

TABLE 35.--Sales and redemptions of Series E through K savings bonds by series, fiscal years 1941-54 and monthly 1954--Continued

[In millions of dollars]

| Fiscal year or month | Sales | Accrued discount | Sales plus accrued discount | Redemptions: Total | Redemptions: Original purchase price[1] | Redemptions: Accrued dis-count[1] | Amount outstand-ing[2] (interest-bearing) |
|---|---|---|---|---|---|---|---|
| | Series J[10] | | | | | | |
| 1952 | 24.0 | ........ | 24.0 | ........ | ........ | ......... | 24.0 |
| 1953 | 128.8 | 0.7 | 129.4 | 1.9 | 1.9 | (*) | 151.5 |
| 1954 | [4] 225.5 | 2.5 | 228.1 | [4] 10.6 | 10.5 | .1 | 369.0 |
| Total through June 30, 1954 | 378.3 | 3.2 | 381.5 | 12.5 | 12.4 | .1 | 369.0 |
| 1953--July | 10.4 | .2 | 10.5 | 1.2 | 1.2 | (*) | 160.8 |
| August | 7.6 | .1 | 7.7 | .5 | .5 | (*) | 168.1 |
| September | 8.1 | .1 | 8.3 | 1.5 | 1.5 | (*) | 174.8 |
| October | 8.4 | .1 | 8.5 | .7 | .7 | (*) | 182.6 |
| November | 10.2 | .2 | 10.5 | .6 | .6 | (*) | 192.5 |
| December | 13.6 | .2 | 13.9 | .5 | .5 | (*) | 205.8 |
| 1954--January | 22.4 | .2 | 22.7 | .4 | .4 | (*) | 228.1 |
| February | 24.9 | .2 | 25.1 | .9 | .9 | (*) | 252.3 |
| March | 32.9 | .2 | 33.1 | .5 | .5 | (*) | 284.9 |
| April | 29.8 | .2 | 30.0 | .7 | .7 | (*) | 314.2 |
| May | 27.1 | .4 | 27.5 | 1.0 | .9 | (*) | 340.8 |
| June | [4] 30.0 | .4 | 30.4 | [4] 2.2 | 2.1 | (*) | 369.0 |
| | Series K[10] | | | | | | |
| 1952 | [5] 85.9 | ........ | 85.9 | ........ | ........ | ......... | 85.9 |
| 1953 | [5] 372.6 | ........ | 372.6 | 5.7 | 5.7 | ......... | 452.7 |
| 1954 | [4] [5] 599.2 | ........ | 599.2 | [4] 20.3 | 20.3 | ......... | 1,031.5 |
| Total through June 30, 1954 | 1,057.6 | ........ | 1,057.6 | 26.1 | 26.1 | ......... | 1,031.5 |
| 1953--July | 22.3 | ........ | 22.3 | 1.8 | 1.8 | ......... | 473.2 |
| August | 17.5 | ........ | 17.5 | 3.1 | 3.1 | ......... | 487.7 |
| September | 16.8 | ........ | 16.8 | 1.6 | 1.6 | ......... | 502.8 |
| October | 18.8 | ........ | 18.8 | 1.5 | 1.5 | ......... | 520.1 |
| November | 19.2 | ........ | 19.2 | 1.5 | 1.5 | ......... | 537.8 |
| December | 28.2 | ........ | 28.2 | 1.4 | 1.4 | ......... | 564.6 |
| 1954--January | 54.2 | ........ | 54.2 | 1.4 | 1.4 | ......... | 617.4 |
| February | 68.6 | ........ | 68.6 | 1.4 | 1.4 | ......... | 684.5 |
| March | 94.9 | ........ | 94.9 | 1.5 | 1.5 | ......... | 778.0 |
| April | 91.7 | ........ | 91.7 | 1.5 | 1.5 | ......... | 868.2 |
| May | 83.0 | ........ | 83.0 | 1.9 | 1.9 | ......... | 949.3 |
| June | [4] 84.1 | ........ | 84.1 | [4] 1.9 | 1.9 | ......... | 1,031.5 |

NOTE.—Details by months from May 1941 for Series E, F, and G bonds (and from May 1935 for Series A-D bonds) will be found in the 1943 annual report, p. 605, and in corresponding tables in subsequent reports. Monthly detail of the fiscal year 1952 for Series H, J, and K bonds will be found in the 1952 annual report p. 629 and p. 630.

*Less than $50,000.

[1] Estimated.

[2] Amounts outstanding are at current redemption values, except for Series G, H, and K, which are stated at par.

[3] Matured F and G bonds outstanding are included in the interest-bearing debt until all bonds of the annual series have matured, when they are transferred to matured debt upon which interest has ceased.

[4] Issues and redemptions of Series E, H, F, G, J, and K savings bonds are overstated due to the erroneous inclusion of re-issue transactions in the daily Treasury statement figures for the month of June 1954.

[5] Includes exchanges of matured Series E bonds for Series G bonds beginning with May 1951 and for Series K bonds beginning with May 1952.

[6] Sales of Series H began June 1, 1952.

[7] Sales of F and G were discontinued after April 30, 1952.

[8] Includes sales to institutional investors in July 1948. See 1948 annual report, p. 194.

[9] Includes sales to institutional investors during October, November, and December 1950. See 1951 annual report, p. 177.

[10] Sales of Series J and K began May 1, 1952.

TABLE 36.--Sales of Series E through K savings bonds by denominations, fiscal years 1941-54 and monthly 1954

[On basis of daily Treasury statements and reports of sales]

| Fiscal year or month | Total, all denominations[1] | $25 | $50 | $100 | $200[2] | $500 | $1,000 | $5,000 | $10,000[3] |
|---|---|---|---|---|---|---|---|---|---|
| | Series E and H sales, in millions of dollars at issue price | | | | | | | | |
| 1941-46 | 42,112.6 | 13,796.3 | 5,713.4 | 8,659.6 | 196.6 | 5,181.7 | 8,432.0 | ........ | ......... |
| 1947 | 4,287.3 | 860.2 | 408.6 | 585.2 | 120.1 | 616.7 | 1,680.8 | ........ | ......... |
| 1948 | 4,026.1 | 677.7 | 371.3 | 583.2 | 122.4 | 589.2 | 1,678.3 | ........ | ......... |
| 1949 | 4,278.5 | 738.7 | 428.4 | 641.3 | 137.4 | 588.4 | 1,741.3 | ........ | ......... |
| 1950 | 3,992.9 | 734.1 | 444.0 | 649.1 | 137.5 | 529.7 | 1,496.0 | ........ | ......... |
| 1951 | 3,272.1 | 782.8 | 442.0 | 573.7 | 117.8 | 388.6 | 967.2 | ........ | ......... |
| 1952 | 3,296.1 | 950.6 | 492.3 | 566.9 | 108.0 | 357.0 | 810.7 | 6.8 | 3.7 |
| 1953 | 4,060.6 | 1,019.6 | 538.9 | 615.8 | 119.0 | 482.4 | 1,140.1 | 81.3 | 63.4 |
| 1954 | [4] 4,652.9 | 1,066.9 | 588.2 | 660.7 | 128.1 | 554.6 | 1,359.8 | 163.6 | 131.0 |
| 1953--July | 369.5 | 88.0 | 47.6 | 53.9 | 10.9 | 45.4 | 107.5 | 9.8 | 6.5 |
| August | 346.3 | 85.0 | 45.6 | 51.7 | 10.0 | 41.9 | 97.3 | 8.8 | 6.0 |
| September | 343.2 | 85.1 | 47.3 | 52.1 | 10.0 | 40.8 | 92.3 | 9.3 | 6.4 |
| October | 356.8 | 88.8 | 48.2 | 53.2 | 10.4 | 42.9 | 96.4 | 10.0 | 6.8 |
| November | 339.1 | 87.4 | 46.8 | 50.7 | 9.8 | 40.1 | 88.7 | 9.6 | 6.0 |
| December | 381.4 | 94.4 | 51.8 | 57.4 | 11.1 | 44.6 | 102.6 | 11.2 | 8.4 |
| 1954--January | 484.7 | 91.6 | 51.8 | 60.0 | 12.3 | 59.9 | 166.1 | 24.2 | 18.7 |
| February | 421.8 | 82.2 | 45.3 | 54.6 | 10.6 | 53.2 | 142.8 | 17.6 | 15.4 |
| March | 474.1 | 99.1 | 55.1 | 64.2 | 12.4 | 57.2 | 151.9 | 18.6 | 15.6 |
| April | 389.8 | 88.1 | 48.5 | 54.1 | 10.5 | 44.9 | 114.6 | 14.9 | 14.1 |
| May | 353.7 | 84.6 | 47.0 | 51.6 | 9.5 | 39.9 | 94.6 | 13.6 | 12.9 |
| June | [4] 392.4 | 92.5 | 53.2 | 57.2 | 10.6 | 43.7 | 105.0 | 16.1 | 14.1 |
| | Series E and H sales, in thousands of pieces | | | | | | | | |
| 1941-46 | 1,047,722 | 735,803 | 152,358 | 115,462 | 1,311 | 13,818 | 11,243 | ........ | ......... |
| 1947 | 71,356 | 45,876 | 10,896 | 7,803 | 801 | 1,645 | 2,241 | ........ | ......... |
| 1948 | 58,971 | 36,146 | 9,901 | 7,777 | 816 | 1,571 | 2,238 | ........ | ......... |
| 1949 | 64,576 | 39,400 | 11,425 | 8,550 | 916 | 1,569 | 2,322 | ........ | ......... |
| 1950 | 64,304 | 39,150 | 11,841 | 8,654 | 917 | 1,413 | 1,995 | ........ | ......... |
| 1951 | 64,299 | 41,751 | 11,786 | 7,649 | 786 | 1,036 | 1,290 | ........ | ......... |
| 1952 | 74,136 | 50,701 | 13,129 | 7,559 | 720 | 948 | 1,076 | 1 | (*) |
| 1953 | 80,485 | 54,380 | 14,372 | 8,211 | 794 | 1,243 | 1,462 | 16 | 7 |
| 1954 | [4] 85,419 | 56,903 | 15,686 | 8,810 | 854 | 1,411 | 1,708 | 33 | 14 |
| 1953--July | 7,011 | 4,695 | 1,270 | 718 | 72 | 116 | 136 | 2 | 1 |
| August | 6,736 | 4,531 | 1,216 | 689 | 67 | 107 | 124 | 2 | 1 |
| September | 6,786 | 4,541 | 1,260 | 695 | 67 | 104 | 116 | 2 | 1 |
| October | 7,035 | 4,736 | 1,286 | 709 | 70 | 109 | 121 | 2 | 1 |
| November | 6,866 | 4,659 | 1,249 | 676 | 65 | 102 | 112 | 2 | 1 |
| December | 7,502 | 5,035 | 1,381 | 766 | 74 | 114 | 129 | 2 | 1 |
| 1954--January | 7,514 | 4,885 | 1,381 | 800 | 82 | 152 | 207 | 5 | 2 |
| February | 6,713 | 4,386 | 1,208 | 727 | 71 | 135 | 180 | 4 | 2 |
| March | 8,036 | 5,287 | 1,468 | 856 | 83 | 145 | 190 | 4 | 2 |
| April | 7,049 | 4,701 | 1,295 | 722 | 70 | 114 | 144 | 3 | 1 |
| May | 6,740 | 4,512 | 1,252 | 688 | 63 | 101 | 118 | 3 | 1 |
| June | [4] 7,432 | 4,935 | 1,419 | 763 | 71 | 110 | 130 | 3 | 1 |

| Fiscal year or month | Total, all denominations | $25[5] | $100 | $500 | $1,000 | $5,000 | $10,000 | $100,000 |
|---|---|---|---|---|---|---|---|---|
| | Series F and J sales, in millions of dollars at issue price | | | | | | | |
| 1941-46 | 3,148.2 | 18.7 | 100.0 | 160.7 | 828.8 | 642.1 | 1,397.9 | ............ |
| 1947 | 359.7 | .8 | 5.9 | 11.6 | 89.0 | 72.1 | 180.3 | ............ |
| 1948 | 301.2 | .6 | 4.9 | 10.5 | 72.0 | 59.0 | 154.2 | ............ |
| 1949[6] | 472.6 | .5 | 4.0 | 8.0 | 54.9 | 51.0 | 354.2 | ............ |
| 1950 | 231.3 | .5 | 3.7 | 7.1 | 48.7 | 37.5 | 133.8 | ............ |
| 1951[7] | 347.5 | .4 | 2.9 | 5.2 | 33.2 | 29.5 | 276.4 | ............ |
| 1952 | 121.1 | .3 | 2.7 | 4.6 | 26.6 | 20.2 | 59.9 | 6.8 |
| 1953 | 128.8 | .3 | 2.7 | 4.4 | 25.1 | 20.3 | 58.9 | 17.1 |
| 1954 | [4] 228.4 | .4 | 3.7 | 6.0 | 36.0 | 27.8 | 106.3 | 48.1 |
| 1953--July | 10.4 | (*) | .2 | .4 | 2.1 | 1.6 | 5.2 | .9 |
| August | 7.6 | (*) | .2 | .3 | 1.5 | 1.2 | 4.1 | .4 |
| September | 8.2 | (*) | .2 | .3 | 1.9 | 1.3 | 3.8 | .6 |
| October | 8.4 | (*) | .2 | .3 | 2.2 | 1.9 | 3.1 | .6 |
| November | 10.2 | (*) | .2 | .4 | 2.3 | 1.6 | 4.4 | 1.3 |
| December | 13.6 | (*) | .3 | .5 | 2.7 | 1.9 | 6.1 | 2.1 |
| 1954--January | 22.4 | (*) | .4 | .7 | 3.9 | 3.1 | 11.3 | 3.0 |
| February | 24.9 | (*) | .3 | .6 | 3.6 | 3.0 | 11.2 | 6.1 |
| March | 32.9 | (*) | .5 | .7 | 4.4 | 3.2 | 15.3 | 8.8 |
| April | 29.8 | (*) | .4 | .5 | 3.5 | 2.9 | 13.3 | 9.1 |
| May | 27.1 | (*) | .4 | .6 | 3.5 | 2.8 | 13.3 | 6.5 |
| June | [4] 32.9 | (*) | .5 | .7 | 4.4 | 3.2 | 15.3 | 8.7 |

Footnotes at end of table.

TABLE 36.--Sales of Series E through K savings bonds by denominations, fiscal years 1941-54 and monthly 1954--Continued

| Fiscal year or month | Total, all denominations | [5] $25 | $100 | $500 | $1,000 | $5,000 | $10,000 | $100,000 |
|---|---|---|---|---|---|---|---|---|
| | Series F and J sales, in thousands of pieces | | | | | | | |
| 1941-46 | 4,276 | 1,009 | 1,351 | 434 | 1,120 | 174 | 189 | ......... |
| 1947 | 317 | 43 | 79 | 31 | 120 | 19 | 24 | ......... |
| 1948 | 260 | 31 | 67 | 28 | 97 | 16 | 21 | ......... |
| 1949[6] | 239 | 28 | 54 | 22 | 74 | 14 | 48 | ......... |
| 1950 | 190 | 26 | 50 | 19 | 66 | 10 | 18 | ......... |
| 1951[7] | 163 | 21 | 39 | 14 | 45 | 8 | 37 | ......... |
| 1952 | 117 | 18 | 37 | 13 | 36 | 5 | 8 | (*) |
| 1953 | 115 | 17 | 37 | 12 | 35 | 6 | 8 | (*) |
| 1954 | [4] 160 | 22 | 50 | 16 | 49 | 8 | 15 | 1 |
| 1953--July | 9 | 1 | 3 | 1 | 3 | (*) | 1 | (*) |
| August | 7 | 1 | 2 | 1 | 2 | (*) | 1 | (*) |
| September | 8 | 1 | 2 | 1 | 3 | (*) | 1 | (*) |
| October | 10 | 2 | 3 | 1 | 3 | 1 | (*) | (*) |
| November | 10 | 1 | 3 | 1 | 3 | (*) | 1 | (*) |
| December | 13 | 2 | 5 | 1 | 4 | 1 | 1 | (*) |
| 1954--January | 17 | 2 | 5 | 2 | 5 | 1 | 2 | (*) |
| February | 16 | 2 | 5 | 2 | 5 | 1 | 2 | (*) |
| March | 20 | 2 | 6 | 2 | 6 | 1 | 2 | (*) |
| April | 16 | 2 | 5 | 1 | 5 | 1 | 2 | (*) |
| May | 16 | 2 | 5 | 1 | 5 | 1 | 2 | (*) |
| June | [4] 19 | 3 | 6 | 2 | 6 | 1 | 2 | (*) |
| | Series G and K sales, in millions of dollars at issue price | | | | | | | |
| 1941-46 | 13,185.5 | ....... | 386.2 | 946.9 | 4,052.9 | 2,471.2 | 5,328.3 | ......... |
| 1947 | 2,560.8 | ....... | 38.7 | 157.0 | 849.4 | 540.2 | 975.4 | ......... |
| 1948 | 1,907.4 | ....... | 31.8 | 125.4 | 650.1 | 403.5 | 696.5 | ......... |
| 1949[6] | 2,390.0 | ....... | 25.7 | 96.1 | 481.5 | 295.2 | 1,491.5 | ......... |
| 1950 | 1,448.5 | ....... | 22.5 | 80.4 | 420.4 | 263.0 | 662.3 | ......... |
| 1951[7] [8] | 1,523.3 | ....... | 15.4 | 52.5 | 256.1 | 151.4 | 1,047.9 | ......... |
| 1952[8] | 508.2 | ....... | [9] 11.2 | 44.3 | 181.5 | 94.1 | 146.0 | 31.0 |
| 1953[8] | 372.7 | ....... | [9] (*) | 26.3 | 94.5 | 61.4 | 127.1 | 63.4 |
| 1954[8] | [4] 612.6 | | ([9]) | 24.5 | 107.1 | 93.0 | 243.1 | 144.7 |
| 1953--July | 22.3 | ....... | ....... | 2.1 | 7.4 | 5.5 | 6.0 | 1.2 |
| August | 17.5 | ....... | ....... | 1.5 | 5.6 | 3.5 | 5.7 | 1.1 |
| September | 16.8 | ....... | ....... | 1.5 | 5.4 | 3.6 | 5.6 | .6 |
| October | 18.8 | ....... | ....... | 1.6 | 5.7 | 3.7 | 7.1 | .7 |
| November | 19.2 | ....... | ....... | 1.4 | 5.4 | 3.7 | 7.2 | 1.5 |
| December | 28.2 | ....... | ....... | 1.7 | 6.8 | 5.2 | 11.0 | 3.4 |
| 1954--January | 54.2 | ....... | ....... | 2.5 | 11.3 | 9.4 | 22.6 | 8.4 |
| February | 68.6 | ....... | ....... | 2.3 | 10.5 | 9.0 | 25.9 | 20.8 |
| March | 94.9 | ....... | ....... | 2.7 | 13.0 | 11.7 | 35.6 | 31.8 |
| April | 91.7 | ....... | ....... | 2.0 | 10.9 | 10.6 | 36.0 | 32.3 |
| May | 83.0 | ....... | ....... | 2.1 | 11.2 | 10.4 | 36.7 | 22.6 |
| June | [4] 97.5 | ....... | ....... | 3.1 | 13.7 | 16.6 | 43.7 | 20.3 |
| | Series G and K sales, in thousands of pieces | | | | | | | |
| 1941-46 | 10,835 | ....... | 3,862 | 1,894 | 4,053 | 494 | 533 | ......... |
| 1947 | 1,756 | ....... | 387 | 314 | 849 | 108 | 98 | ......... |
| 1948 | 1,370 | ....... | 318 | 251 | 650 | 81 | 70 | ......... |
| 1949[6] | 1,139 | ....... | 257 | 192 | 482 | 59 | 149 | ......... |
| 1950 | 925 | ....... | 225 | 161 | 420 | 53 | 66 | ......... |
| 1951[7] [8] | 650 | ....... | 154 | 105 | 256 | 30 | 105 | ......... |
| 1952[8] | 416 | ....... | [9] 112 | 89 | 181 | 19 | 15 | (*) |
| 1953[8] | 173 | ....... | [9] (*) | 53 | 94 | 12 | 13 | 1 |
| 1954[8] | [4] 195 | ....... | ([9]) | 47 | 105 | 18 | 24 | 1 |
| 1953--July | 13 | ....... | ....... | 4 | 7 | 1 | 1 | (*) |
| August | 10 | ....... | ....... | 3 | 6 | 1 | 1 | (*) |
| September | 10 | ....... | ....... | 3 | 5 | 1 | 1 | (*) |
| October | 10 | ....... | ....... | 3 | 6 | 1 | 1 | (*) |
| November | 10 | ....... | ....... | 3 | 5 | 1 | 1 | (*) |
| December | 12 | ....... | ....... | 3 | 7 | 1 | 1 | (*) |
| 1954--January | 21 | ....... | ....... | 5 | 11 | 2 | 2 | (*) |
| February | 20 | ....... | ....... | 5 | 11 | 2 | 3 | (*) |
| March | 25 | ....... | ....... | 5 | 13 | 2 | 4 | (*) |
| April | 21 | ....... | ....... | 4 | 11 | 2 | 4 | (*) |
| May | 21 | ....... | ....... | 4 | 11 | 2 | 4 | (*) |
| June | [4] 27 | ....... | ....... | 6 | 14 | 3 | 4 | (*) |

NOTE.--Details of amounts of sales by months beginning May 1941 will be found in the 1943 annual report, p. 611, and in corresponding tables in subsequent reports.

*Less than $50,000 or 500 pieces.

[1] Total includes $10 denomination Series E bonds sold, to Armed Forces only, from June 1941 through Mar. 1950. Details by years will be found in the 1952 annual report, p. 631.

[2] Sale of $200 denomination Series E bonds began in October 1945.

[3] Beginning April 1954 includes sales of $100 thousand denomination Series E bonds which are purchasable only by trustees of employees' savings plans.

[4] See table 35 footnote 4.

[5] Sale of $25 denomination Series F bonds was authorized in December 1941.

[6] See table 35, footnote 8.

[7] See table 35, footnote 9.

[8] See table 35, footnote 5.

[9] $100 denomination not offered for Series K.

TABLE 37.--Redemptions of Series E through K savings bonds by denominations, fiscal years 1941-54 and monthly 1954[1]

[In thousands of pieces. On basis of daily Treasury statements and reports from Bureau of the Public Debt]

| Fiscal year or month | Total, all denominations[2] | $25 | $50 | $100 | $200 | $500 | $1,000 | $5,000 | $10,000 |
|---|---|---|---|---|---|---|---|---|---|
| | Series E and H redemptions | | | | | | | | |
| 1941-46 | 434,745 | 344,030 | 53,808 | 25,406 | 76 | 2,203 | 1,657 | ....... | ........ |
| 1947 | 123,725 | 88,836 | 17,872 | 10,713 | 189 | 1,105 | 900 | ....... | ........ |
| 1948 | 93,438 | 65,331 | 14,302 | 9,387 | 246 | 1,115 | 1,004 | ....... | ........ |
| 1949 | 79,646 | 54,809 | 12,623 | 8,450 | 284 | 1,077 | 1,035 | ....... | ........ |
| 1950 | 76,109 | 52,101 | 12,346 | 8,155 | 334 | 1,069 | 1,088 | ....... | ........ |
| 1951[3] | 82,875 | 54,840 | 14,134 | 9,911 | 466 | 1,351 | 1,472 | ....... | ........ |
| 1952[3] | 76,403 | 51,649 | 12,662 | 8,777 | 371 | 1,211 | 1,291 | ....... | ........ |
| 1953[3] | 81,983 | 56,734 | 13,535 | 8,840 | 342 | 1,112 | 1,106 | (*) | (*) |
| 1954[3] | [4]90,387 | 62,941 | 15,084 | 9,480 | 357 | 1,151 | 1,109 | 1 | 1 |
| 1953--July | 8,403 | 5,903 | 1,392 | 848 | 34 | 99 | 97 | (*) | (*) |
| August | 6,623 | 4,614 | 1,104 | 687 | 27 | 86 | 84 | (*) | (*) |
| September | 7,949 | 5,555 | 1,326 | 814 | 32 | 100 | 97 | (*) | (*) |
| October | 6,654 | 4,559 | 1,113 | 757 | 26 | 94 | 86 | (*) | (*) |
| November | 6,505 | 4,526 | 1,088 | 689 | 25 | 83 | 75 | (*) | (*) |
| December | 7,742 | 5,471 | 1,278 | 772 | 28 | 89 | 82 | (*) | (*) |
| 1954--January | 8,087 | 5,740 | 1,319 | 787 | 27 | 95 | 97 | (*) | (*) |
| February | 6,843 | 4,675 | 1,137 | 780 | 28 | 102 | 101 | (*) | (*) |
| March | 8,108 | 5,603 | 1,355 | 885 | 32 | 107 | 103 | (*) | (*) |
| April | 7,417 | 5,153 | 1,250 | 779 | 30 | 93 | 89 | (*) | (*) |
| May | 6,989 | 4,876 | 1,176 | 722 | 29 | 86 | 81 | (*) | (*) |
| June | [4]9,069 | 6,265 | 1,547 | 960 | 37 | 118 | 115 | (*) | (*) |

| Fiscal year or month | Total, all denominations | $25 | $100 | $500 | $1,000 | $5,000 | $10,000 | $100,000 |
|---|---|---|---|---|---|---|---|---|
| | Series F and J redemptions | | | | | | | |
| 1941-46 | 442 | 98 | 139 | 46 | 123 | 20 | 16 | ........... |
| 1947 | 272 | 61 | 84 | 29 | 75 | 12 | 11 | ........... |
| 1948 | 306 | 79 | 94 | 31 | 80 | 12 | 10 | ........... |
| 1949 | 321 | 86 | 99 | 31 | 81 | 12 | 11 | ........... |
| 1950 | 305 | 83 | 95 | 30 | 77 | 11 | 9 | ........... |
| 1951 | 304 | 73 | 87 | 30 | 88 | 13 | 13 | ........... |
| 1952 | 236 | 55 | 69 | 23 | 66 | 10 | 15 | ........... |
| 1953 | 230 | 46 | 67 | 23 | 69 | 11 | 15 | (*) |
| 1954 | [4]359 | 51 | 119 | 41 | 110 | 17 | 21 | (*) |
| 1953--July | 39 | 8 | 13 | 4 | 10 | 2 | 3 | (*) |
| August | 15 | 2 | 4 | 2 | 5 | 1 | 1 | (*) |
| September | 15 | 3 | 5 | 2 | 5 | 1 | 1 | (*) |
| October | 20 | 3 | 5 | 2 | 7 | 1 | 1 | (*) |
| November | 24 | 3 | 8 | 3 | 7 | 1 | 1 | (*) |
| December | 30 | 5 | 9 | 3 | 10 | 1 | 2 | (*) |
| 1954--January | 40 | 4 | 12 | 4 | 14 | 2 | 4 | (*) |
| February | 26 | 3 | 9 | 3 | 9 | 2 | 2 | (*) |
| March | 33 | 4 | 12 | 4 | 10 | 1 | 1 | (*) |
| April | 34 | 4 | 12 | 4 | 10 | 1 | 2 | (*) |
| May | 38 | 6 | 14 | 4 | 11 | 2 | 2 | (*) |
| June | [4]45 | 7 | 16 | 5 | 13 | 2 | 2 | (*) |

Footnotes at end of table.

TABLE 37.--Redemption of Series E through K savings bonds by denominations, fiscal years 1941-54 and monthly 1954[1]--Continued

[In thousands of pieces. On basis of daily Treasury statements and reports from Bureau of the Public Debt]

| Fiscal year or month | Total, all denominations | $25 | $100 | $500 | $1,000 | $5,000 | $10,000 | $100,000 |
|---|---|---|---|---|---|---|---|---|
| | Series G and K redemptions | | | | | | | |
| 1941-46 | 753 | ....... | 309 | 130 | 257 | 33 | 25 | ......... |
| 1947 | 474 | ....... | 188 | 85 | 167 | 20 | 14 | ......... |
| 1948 | 553 | ....... | 198 | 102 | 212 | 24 | 16 | ......... |
| 1949 | 604 | ....... | 213 | 112 | 235 | 27 | 17 | ......... |
| 1950 | 617 | ....... | 211 | 118 | 246 | 27 | 16 | ......... |
| 1951 | 728 | ....... | 237 | 137 | 297 | 34 | 24 | ......... |
| 1952 | 648 | ....... | 206 | 119 | 264 | 31 | 28 | ......... |
| 1953 | 863 | ....... | 245 | 141 | 369 | 51 | 57 | (*) |
| 1954 | [4]1,226 | ....... | 379 | 199 | 504 | 68 | 76 | (*) |
| 1953—July | 95 | ....... | 29 | 15 | 39 | 5 | 7 | (*) |
| August | 78 | ....... | 23 | 12 | 33 | 5 | 6 | (*) |
| September | 79 | ....... | 24 | 13 | 33 | 4 | 5 | (*) |
| October | 78 | ....... | 25 | 13 | 32 | 4 | 5 | ......... |
| November | 77 | ....... | 25 | 13 | 32 | 4 | 4 | ......... |
| December | 96 | ....... | 31 | 16 | 40 | 5 | 5 | ......... |
| 1954—January | 146 | ....... | 40 | 22 | 60 | 9 | 16 | ......... |
| February | 108 | ....... | 32 | 18 | 45 | 6 | 7 | (*) |
| March | 115 | ....... | 36 | 19 | 47 | 6 | 6 | ......... |
| April | 110 | ....... | 35 | 18 | 45 | 6 | 5 | (*) |
| May | 117 | ....... | 39 | 20 | 47 | 6 | 5 | ......... |
| June | [4]126 | ....... | 41 | 21 | 51 | 7 | 6 | ......... |

*Less than 500 pieces.

[1] Redemption data presented in annual reports prior to 1950 were on a different basis and therefore are not strictly comparable with the data in this table.

[2] Total includes redemptions of $10 denomination Series E bonds. Detail by fiscal years was last shown in the 1952 annual report, p. 633. Thereafter monthly detail for each fiscal year appears in a footnote to the redemptions by denominations table of successive annual reports. Details in thousands of pieces by months for the fiscal year 1954 follow:

| July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | May | June | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 30 | 21 | 25 | 19 | 17 | 22 | 22 | 20 | 22 | 21 | 19 | 26 | 263 |

[3] Includes exchanges of matured Series E bonds for Series G bonds beginning May 1951 and for Series K bonds beginning May 1952.

[4] See table 35, footnote 4.

TABLE 38.--Sales of Series E and H savings bonds by States, fiscal years 1953, 1954, and cumulative

[In thousands of dollars, at issue price. On basis of reports received by the Treasury Department, with totals adjusted to basis of daily Treasury statements]

| State | Series E and H bonds | | |
|---|---|---|---|
| | Fiscal year 1953 | Fiscal year 1954 | May 1941-June 1954 |
| Alabama | 32,786 | 36,245 | 756,921 |
| Arizona | 14,036 | 15,198 | 256,216 |
| Arkansas | 21,928 | 24,662 | 449,046 |
| California | 216,755 | 262,997 | 5,353,052 |
| Colorado | 28,954 | 33,804 | 578,650 |
| Connecticut | 53,324 | 60,931 | 1,211,502 |
| Delaware | 7,949 | 9,920 | 167,254 |
| District of Columbia | 39,803 | 40,901 | 867,897 |
| Florida | 47,440 | 55,261 | 873,418 |
| Georgia | 43,030 | 46,172 | 854,188 |
| Idaho | 7,454 | 9,129 | 207,343 |
| Illinois | 350,904 | 419,897 | 5,811,457 |
| Indiana | 116,538 | 143,594 | 1,990,152 |
| Iowa | 108,570 | 142,770 | 1,935,849 |
| Kansas | 71,426 | 76,792 | 1,140,481 |
| Kentucky | 41,484 | 49,182 | 783,952 |
| Louisiana | 32,526 | 38,596 | 757,687 |
| Maine | 12,439 | 13,926 | 298,013 |
| Maryland | 47,964 | 55,243 | 911,499 |
| Massachusetts | 97,265 | 104,680 | 2,256,611 |
| Michigan | 232,967 | 278,602 | 3,923,733 |
| Minnesota | 67,197 | 82,525 | 1,520,733 |
| Mississippi | 21,972 | 25,835 | 465,137 |
| Missouri | 114,522 | 133,961 | 1,954,251 |
| Montana | 21,232 | 25,308 | 368,544 |
| Nebraska | 75,475 | 108,518 | 1,039,150 |
| Nevada | 3,660 | 5,145 | 82,878 |
| New Hampshire | 7,847 | 8,248 | 185,715 |
| New Jersey | 154,779 | 174,679 | 2,725,345 |
| New Mexico | 8,421 | 10,420 | 168,896 |
| New York | 441,341 | 465,725 | 8,753,730 |
| North Carolina | 37,025 | 41,927 | 886,713 |
| North Dakota | 18,152 | 21,302 | 379,670 |
| Ohio | 260,441 | 304,318 | 4,496,105 |
| Oklahoma | 50,458 | 57,065 | 892,604 |
| Oregon | 26,050 | 29,184 | 789,724 |
| Pennsylvania | 349,081 | 396,496 | 5,797,004 |
| Rhode Island | 14,571 | 14,148 | 371,316 |
| South Carolina | 22,213 | 23,750 | 444,439 |
| South Dakota | 25,455 | 31,528 | 428,147 |
| Tennessee | 35,620 | 41,308 | 817,854 |
| Texas | 122,195 | 142,286 | 2,699,682 |
| Utah | 14,446 | 16,002 | 295,694 |
| Vermont | 3,821 | 4,550 | 105,583 |
| Virginia | 61,767 | 69,573 | 1,216,220 |
| Washington | 52,966 | 60,799 | 1,314,172 |
| West Virginia | 41,131 | 49,134 | 689,497 |
| Wisconsin | 91,279 | 112,204 | 1,657,071 |
| Wyoming | 7,520 | 8,560 | 151,042 |
| Canal Zone | 1,738 | 1,902 | 46,626 |
| Hawaii | 13,995 | 13,761 | 334,150 |
| Puerto Rico | 1,842 | 1,836 | 46,318 |
| Virgin Islands | 93 | 63 | 2,205 |
| Other possessions | ........... | .......... | 34,468 |
| Adjustment to daily Treasury statement | r +266,762 | +252,313 | +1,429,176 |
| Total | 4,060,609 | 4,652,875 | 73,979,050 |

NOTE.--Sales by States of the various series of savings bonds were published in the annual report for 1943, pp. 614-621, and in subsequent reports; and by months at intervals in the "Treasury Bulletin," beginning with the issue of July 1946. Since April 30, 1953, figures for sales of Series E and H bonds only have been available.

r Revised.

TABLE 39. --Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations [1]

[On Basis of Public Debt accounts, see "Bases of Tables"]

I. SERIES E SAVINGS BONDS

| Series and calendar year in which issued | Percent of Series E savings bonds redeemed by end of-- | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | $10 denomination [2] | | | | | | | | | | | | |
| E-1944......... | 20 | 49 | 63 | 70 | 75 | 78 | 81 | 83 | 84 | 86 | ..... | ..... | ...... |
| E-1945......... | 45 | 63 | 71 | 76 | 79 | 82 | 84 | 85 | 87 | ..... | ..... | ..... | ...... |
| E-1946......... | 52 | 68 | 75 | 80 | 83 | 85 | 87 | 88 | ..... | ..... | ..... | ..... | ...... |
| E-1947......... | 51 | 71 | 79 | 83 | 86 | 88 | 90 | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1948......... | 60 | 77 | 83 | 87 | 89 | 91 | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1949......... | 61 | 74 | 82 | 86 | 88 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1950......... | 64 | 77 | 83 | 86 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| | $25 denomination | | | | | | | | | | | | |
| E-1941......... | 4 | 9 | 14 | 18 | 26 | 32 | 37 | 42 | 46 | 51 | 67 | 72 | 76 |
| E-1942......... | 16 | 26 | 34 | 44 | 51 | 57 | 61 | 65 | 68 | 72 | 78 | 81 | ...... |
| E-1943......... | 26 | 38 | 50 | 58 | 63 | 67 | 71 | 74 | 76 | 78 | 83 | ..... | ...... |
| E-1944......... | 33 | 50 | 59 | 65 | 69 | 72 | 76 | 77 | 79 | 81 | ..... | ..... | ...... |
| E-1945......... | 46 | 58 | 65 | 69 | 73 | 76 | 77 | 79 | 80 | ..... | ..... | ..... | ...... |
| E-1946......... | 46 | 57 | 63 | 67 | 71 | 74 | 75 | 77 | ..... | ..... | ..... | ..... | ...... |
| E-1947......... | 46 | 57 | 63 | 68 | 71 | 73 | 75 | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1948......... | 47 | 59 | 66 | 69 | 72 | 74 | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1949......... | 49 | 62 | 67 | 71 | 73 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1950......... | 51 | 62 | 67 | 70 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1951......... | 51 | 63 | 68 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1952......... | 51 | 63 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1953......... | 52 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| | $50 denomination | | | | | | | | | | | | |
| E-1941......... | 3 | 7 | 11 | 15 | 21 | 26 | 31 | 35 | 39 | 45 | 64 | 69 | 73 |
| E-1942......... | 8 | 16 | 22 | 31 | 38 | 44 | 48 | 52 | 56 | 61 | 70 | 74 | ...... |
| E-1943......... | 16 | 26 | 37 | 46 | 52 | 56 | 60 | 64 | 66 | 70 | 76 | ..... | ...... |
| E-1944......... | 23 | 39 | 49 | 55 | 60 | 64 | 68 | 70 | 72 | 74 | ..... | ..... | ...... |
| E-1945......... | 36 | 49 | 56 | 61 | 65 | 68 | 71 | 72 | 74 | ..... | ..... | ..... | ...... |
| E-1946......... | 35 | 46 | 53 | 57 | 62 | 65 | 67 | 69 | ..... | ..... | ..... | ..... | ...... |
| E-1947......... | 34 | 46 | 52 | 58 | 61 | 64 | 66 | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1948......... | 35 | 47 | 55 | 59 | 62 | 64 | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1949......... | 37 | 50 | 56 | 60 | 62 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1950......... | 40 | 51 | 56 | 60 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1951......... | 39 | 51 | 56 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1952......... | 40 | 51 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1953......... | 40 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |

NOTE.--The percentages shown in this table are the proportions of the value of the bonds originally sold in any calendar year which are redeemed (including redemption of bonds reissued as a result of partial redemptions) before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value.

Footnotes at end of table.

TABLE 39.--Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations[1] --Continued

I. SERIES E SAVINGS BONDS--Continued

| Series and calendar year in which issued | Percent of Series E savings bonds redeemed by end of-- | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | $100 denomination | | | | | | | | | | | | |
| E-1941.......... | 3 | 7 | 10 | 14 | 19 | 24 | 28 | 32 | 35 | 42 | 62 | 67 | 70 |
| E-1942.......... | 5 | 10 | 15 | 22 | 29 | 34 | 38 | 42 | 46 | 53 | 64 | 68 | ...... |
| E-1943.......... | 8 | 15 | 24 | 32 | 38 | 42 | 46 | 51 | 54 | 58 | 66 | ..... | ...... |
| E-1944.......... | 11 | 23 | 32 | 39 | 44 | 48 | 52 | 55 | 58 | 61 | ..... | ..... | ...... |
| E-1945.......... | 20 | 31 | 38 | 43 | 48 | 52 | 55 | 58 | 60 | ..... | ..... | ..... | ...... |
| E-1946.......... | 20 | 30 | 37 | 42 | 48 | 51 | 54 | 56 | ..... | ..... | ..... | ..... | ...... |
| E-1947.......... | 20 | 30 | 36 | 43 | 47 | 50 | 52 | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1948.......... | 20 | 30 | 39 | 44 | 47 | 50 | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1949.......... | 21 | 34 | 40 | 44 | 47 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1950.......... | 25 | 35 | 41 | 44 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1951.......... | 24 | 34 | 39 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1952.......... | 24 | 33 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1953.......... | 23 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| | $200 denomination[3] | | | | | | | | | | | | |
| E-1945.......... | 6 | 15 | 23 | 28 | 33 | 38 | 42 | 45 | 47 | ..... | ..... | ..... | ...... |
| E-1946.......... | 12 | 21 | 28 | 33 | 38 | 42 | 45 | 47 | ..... | ..... | ..... | ..... | ...... |
| E-1947.......... | 12 | 21 | 27 | 34 | 38 | 41 | 43 | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1948.......... | 12 | 20 | 29 | 34 | 37 | 40 | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1949.......... | 12 | 23 | 30 | 34 | 37 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1950.......... | 16 | 24 | 30 | 33 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1951.......... | 13 | 21 | 27 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1952.......... | 13 | 20 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1953.......... | 12 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| | $500 denomination | | | | | | | | | | | | |
| E-1941.......... | 3 | 6 | 10 | 13 | 18 | 22 | 26 | 29 | 33 | 39 | 61 | 66 | 69 |
| E-1942.......... | 4 | 8 | 13 | 19 | 24 | 29 | 33 | 36 | 41 | 49 | 60 | 64 | ...... |
| E-1943.......... | 5 | 11 | 19 | 26 | 31 | 36 | 39 | 44 | 47 | 53 | 61 | ..... | ...... |
| E-1944.......... | 7 | 17 | 24 | 30 | 35 | 40 | 44 | 48 | 50 | 54 | ..... | ..... | ...... |
| E-1945.......... | 11 | 20 | 27 | 32 | 37 | 42 | 46 | 48 | 50 | ..... | ..... | ..... | ...... |
| E-1946.......... | 11 | 21 | 28 | 34 | 40 | 43 | 46 | 49 | ..... | ..... | ..... | ..... | ...... |
| E-1947.......... | 12 | 21 | 28 | 35 | 39 | 43 | 45 | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1948.......... | 12 | 21 | 30 | 35 | 39 | 42 | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1949.......... | 12 | 24 | 30 | 35 | 38 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1950.......... | 15 | 24 | 29 | 34 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1951.......... | 12 | 21 | 27 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1952.......... | 11 | 19 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |
| E-1953.......... | 10 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ...... |

NOTE.--The percentages shown in this table are the proportions of the value of the bonds originally sold in any calendar year which are redeemed (including redemption of bonds reissued as a result of partial redemptions) before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value.

Footnotes at end of table.

TABLE 39.--Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations[1]--Continued

I. SERIES E SAVINGS BONDS--Continued

| Series and calendar year in which issued | Percent of Series E savings bonds redeemed by end of-- | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | $1,000 denomination | | | | | | | | | | | | |
| E-1941.......... | 3 | 6 | 9 | 12 | 16 | 20 | 23 | 26 | 29 | 36 | 60 | 64 | 67 |
| E-1942.......... | 4 | 8 | 12 | 17 | 22 | 26 | 30 | 33 | 37 | 48 | 59 | 63 | ...... |
| E-1943.......... | 5 | 11 | 18 | 24 | 29 | 34 | 37 | 41 | 44 | 51 | 59 | .... | ...... |
| E-1944.......... | 7 | 16 | 23 | 29 | 34 | 38 | 43 | 46 | 48 | 54 | .... | .... | ...... |
| E-1945.......... | 11 | 19 | 26 | 31 | 36 | 41 | 44 | 46 | 49 | .... | .... | .... | ...... |
| E-1946.......... | 10 | 19 | 26 | 32 | 38 | 41 | 44 | 46 | .... | .... | .... | .... | ...... |
| E-1947.......... | 11 | 20 | 26 | 33 | 38 | 41 | 43 | .... | .... | .... | .... | .... | ...... |
| E-1948.......... | 10 | 19 | 28 | 33 | 37 | 39 | .... | .... | .... | .... | .... | .... | ...... |
| E-1949.......... | 11 | 22 | 28 | 33 | 36 | .... | .... | .... | .... | .... | .... | .... | ...... |
| E-1950.......... | 13 | 21 | 27 | 31 | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| E-1951.......... | 11 | 19 | 24 | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| E-1952.......... | 10 | 18 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| E-1953.......... | 9 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| | $10,000 denomination | | | | | | | | | | | | |
| E-1952.......... | 6 | 13 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| E-1953.......... | 7 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| | II. SERIES F AND G SAVINGS BONDS | | | | | | | | | | | | |
| Series and calendar year in which issued | Percent of Series F and G savings bonds redeemed by end of-- | | | | | | | | | | | | |
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | $25 denomination[4] | | | | | | | | | | | | |
| F-1941.......... | 0 | 5 | 11 | 19 | 27 | 39 | 49 | 61 | 77 | 91 | 100 | 100 | 100 |
| F-1942.......... | 1 | 4 | 6 | 11 | 15 | 20 | 25 | 29 | 33 | 36 | 39 | 45 | ...... |
| F-1943.......... | 3 | 7 | 12 | 18 | 24 | 32 | 38 | 43 | 46 | 49 | 52 | .... | ...... |
| F-1944.......... | 3 | 10 | 16 | 25 | 33 | 41 | 47 | 52 | 55 | 58 | .... | .... | ...... |
| F-1945.......... | 6 | 14 | 22 | 31 | 39 | 46 | 52 | 55 | 59 | .... | .... | .... | ...... |
| F-1946.......... | 5 | 14 | 24 | 33 | 42 | 48 | 53 | 57 | .... | .... | .... | .... | ...... |
| F-1947.......... | 5 | 16 | 27 | 36 | 42 | 46 | 51 | .... | .... | .... | .... | .... | ...... |
| F-1948.......... | 6 | 19 | 31 | 38 | 44 | 48 | .... | .... | .... | .... | .... | .... | ...... |
| F-1949.......... | 8 | 20 | 28 | 34 | 40 | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1950.......... | 7 | 16 | 25 | 32 | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1951.......... | 6 | 18 | 27 | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1952.......... | 12 | 23 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| | $100 denomination | | | | | | | | | | | | |
| F-1941 and G-1941 | 1 | 4 | 6 | 9 | 13 | 16 | 20 | 24 | 27 | 31 | 35 | 55 | 91 |
| F-1942 and G-1942 | 1 | 4 | 8 | 12 | 16 | 20 | 24 | 28 | 32 | 36 | 39 | 55 | ...... |
| F-1943 and G-1943 | 2 | 6 | 11 | 16 | 21 | 26 | 30 | 34 | 38 | 41 | 44 | .... | ...... |
| F-1944 and G-1944 | 2 | 8 | 13 | 19 | 24 | 28 | 33 | 37 | 39 | 43 | .... | .... | ...... |
| F-1945 and G-1945 | 4 | 10 | 15 | 21 | 26 | 30 | 34 | 38 | 41 | .... | .... | .... | ...... |
| F-1946 and G-1946 | 4 | 10 | 15 | 21 | 26 | 30 | 34 | 38 | .... | .... | .... | .... | ...... |
| F-1947 and G-1947 | 4 | 11 | 17 | 23 | 27 | 31 | 35 | .... | .... | .... | .... | .... | ...... |
| F-1948 and G-1948 | 4 | 11 | 18 | 22 | 27 | 30 | .... | .... | .... | .... | .... | .... | ...... |
| F-1949 and G-1949 | 4 | 12 | 17 | 22 | 26 | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1950 and G-1950 | 5 | 11 | 17 | 21 | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1951 and G-1951 | 4 | 11 | 16 | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1952 and G-1952 | 7 | 13 | .... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |

NOTE.--The percentages shown in this table are the proportions of the value of the bonds originally sold in any calendar year which are redeemed (including redemption of bonds reissued as a result of partial redemptions) before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value.

Footnotes at end of table.

TABLE 39.--Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations[1]--Continued

II. SERIES F AND G SAVINGS BONDS--Continued

| Series and calendar year in which issued | Percent of Series F and G savings bonds redeemed by end of-- | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | $500 denomination | | | | | | | | | | | | |
| F-1941 and G-1941 | 1 | 3 | 6 | 9 | 12 | 15 | 19 | 22 | 26 | 30 | 33 | 58 | 91 |
| F-1942 and G-1942 | 1 | 4 | 7 | 11 | 15 | 19 | 23 | 27 | 31 | 34 | 38 | 57 | ...... |
| F-1943 and G-1943 | 2 | 6 | 10 | 15 | 18 | 24 | 28 | 32 | 36 | 39 | 42 | .... | ...... |
| F-1944 and G-1944 | 2 | 7 | 12 | 17 | 22 | 26 | 31 | 34 | 38 | 41 | ..... | .... | ...... |
| F-1945 and G-1945 | 3 | 9 | 14 | 19 | 23 | 28 | 32 | 35 | 38 | .... | ..... | .... | ...... |
| F-1946 and G-1946 | 3 | 9 | 15 | 20 | 25 | 29 | 33 | 36 | .... | .... | ..... | .... | ...... |
| F-1947 and G-1947 | 4 | 10 | 16 | 22 | 26 | 30 | 33 | .... | .... | .... | ..... | .... | ...... |
| F-1948 and G-1948 | 4 | 10 | 17 | 22 | 26 | 29 | .... | .... | .... | .... | ..... | .... | ...... |
| F-1949 and G-1949 | 4 | 11 | 16 | 21 | 24 | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1950 and G-1950 | 5 | 10 | 16 | 20 | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1951 and G-1951 | 4 | 10 | 15 | .... | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1952 and G-1952 | 6 | 12 | ..... | .... | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| | $1,000 denomination | | | | | | | | | | | | |
| F-1941 and G-1941 | 1 | 3 | 6 | 8 | 11 | 14 | 17 | 20 | 23 | 27 | 31 | 63 | 96 |
| F-1942 and G-1942 | 1 | 4 | 7 | 11 | 15 | 18 | 22 | 26 | 30 | 33 | 36 | 59 | ...... |
| F-1943 and G-1943 | 2 | 6 | 10 | 15 | 19 | 23 | 27 | 31 | 35 | 38 | 41 | .... | ...... |
| F-1944 and G-1944 | 2 | 7 | 12 | 17 | 21 | 25 | 30 | 33 | 37 | 40 | ..... | .... | ...... |
| F-1945 and G-1945 | 3 | 8 | 13 | 18 | 22 | 26 | 30 | 34 | 37 | .... | ..... | .... | ...... |
| F-1946 and G-1946 | 3 | 8 | 13 | 18 | 23 | 27 | 30 | 34 | .... | .... | ..... | .... | ...... |
| F-1947 and G-1947 | 4 | 10 | 15 | 20 | 24 | 28 | 31 | .... | .... | .... | ..... | .... | ...... |
| F-1948 and G-1948 | 4 | 10 | 16 | 20 | 24 | 28 | .... | .... | .... | .... | ..... | .... | ...... |
| F-1949 and G-1949 | 4 | 10 | 15 | 20 | 23 | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1950 and G-1950 | 4 | 9 | 14 | 18 | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1951 and G-1951 | 3 | 9 | 14 | .... | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1952 and G-1952 | 6 | 12 | ..... | .... | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| | $5,000 denomination | | | | | | | | | | | | |
| F-1941 and G-1941 | 1 | 3 | 5 | 8 | 10 | 13 | 16 | 19 | 21 | 24 | 28 | 66 | 97 |
| F-1942 and G-1942 | 1 | 5 | 8 | 12 | 16 | 19 | 23 | 26 | 30 | 33 | 36 | 59 | ...... |
| F-1943 and G-1943 | 2 | 6 | 11 | 16 | 21 | 25 | 28 | 32 | 36 | 39 | 42 | .... | ...... |
| F-1944 and G-1944 | 2 | 7 | 13 | 17 | 22 | 25 | 29 | 32 | 35 | 38 | ..... | .... | ...... |
| F-1945 and G-1945 | 3 | 9 | 13 | 18 | 22 | 26 | 29 | 33 | 36 | .... | ..... | .... | ...... |
| F-1946 and G-1946 | 3 | 8 | 13 | 17 | 22 | 26 | 29 | 33 | .... | .... | ..... | .... | ...... |
| F-1947 and G-1947 | 4 | 9 | 14 | 19 | 23 | 27 | 31 | .... | .... | .... | ..... | .... | ...... |
| F-1948 and G-1948 | 4 | 9 | 15 | 19 | 23 | 27 | .... | .... | .... | .... | ..... | .... | ...... |
| F-1949 and G-1949 | 3 | 10 | 15 | 19 | 23 | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1950 and G-1950 | 4 | 9 | 14 | 18 | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1951 and G-1951 | 3 | 9 | 15 | .... | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| F-1952 and G-1952 | 6 | 11 | ..... | .... | .... | .... | .... | .... | .... | .... | ..... | .... | ...... |
| | $10,000 denomination | | | | | | | | | | | | |
| F-1941 and G-1941 | 1 | 3 | 5 | 7 | 9 | 11 | 14 | 16 | 18 | 21 | 25 | 73 | 97 |
| F-1942 and G-1942 | 1 | 4 | 7 | 10 | 14 | 17 | 19 | 22 | 24 | 28 | 31 | 61 | ...... |
| F-1943 and G-1943 | 2 | 5 | 9 | 13 | 17 | 20 | 22 | 25 | 28 | 31 | 33 | .... | ...... |
| F-1944 and G-1944 | 2 | 4 | 8 | 10 | 13 | 15 | 17 | 19 | 22 | 24 | .... | .... | ...... |
| F-1945 and G-1945 | 2 | 5 | 8 | 10 | 12 | 14 | 16 | 18 | 20 | .... | .... | .... | ...... |
| F-1946 and G-1946 | 2 | 6 | 9 | 12 | 15 | 19 | 22 | 25 | .... | .... | .... | .... | ...... |
| F-1947 and G-1947 | 2 | 6 | 9 | 13 | 16 | 19 | 23 | .... | .... | .... | .... | .... | ...... |
| F-1948 and G-1948 | 1 | 3 | 4 | 6 | 8 | 10 | .... | .... | .... | .... | .... | .... | ...... |
| F-1949 and G-1949 | 2 | 6 | 10 | 13 | 16 | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1950 and G-1950 | 3 | 8 | 10 | 13 | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1951 and G-1951 | 4 | 8 | 13 | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |
| F-1952 and G-1952 | 6 | 12 | ..... | .... | .... | .... | .... | .... | .... | .... | .... | .... | ...... |

NOTE.--The percentages shown in this table are the proportions of the value of the bonds originally sold in any calendar year which are redeemed (including redemption of bonds reissued as a result of partial redemptions) before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value.

Footnotes at end of table.

TABLE 39. --Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations[1] --Continued

III. SERIES H SAVINGS BONDS

| Series and calendar year in which issued | Percent of Series H savings bonds redeemed by end of-- | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | $500 denomination | | | | | | | | | | | | |
| H-1952.......... | 3 | 9 | .... | .... | ... | ..... | ..... | ..... | ... | .... | .... | .... | ...... |
| H-1953.......... | 4 | .... | .... | .... | ... | ..... | ..... | ..... | ... | .... | .... | .... | ...... |
| | $1,000 denomination | | | | | | | | | | | | |
| H-1952.......... | 3 | 8 | .... | .... | ... | ..... | ..... | ..... | ... | .... | .... | .... | ...... |
| H-1953.......... | 3 | .... | .... | .... | ... | ..... | ..... | ..... | ... | .... | .... | .... | ...... |
| | $5,000 denomination | | | | | | | | | | | | |
| H-1952.......... | 3 | 8 | .... | .... | ... | ..... | ..... | ..... | ... | .... | .... | .... | ...... |
| H-1953.......... | 3 | .... | .... | .... | ... | ..... | ..... | ..... | ... | .... | .... | .... | ...... |
| | $10,000 denomination | | | | | | | | | | | | |
| H-1952.......... | 4 | 9 | .... | .... | ... | ..... | ..... | ..... | ... | .... | .... | .... | ...... |
| H-1953.......... | 3 | .... | .... | .... | ... | ..... | ..... | ..... | ... | .... | .... | .... | ...... |

IV. SERIES J SAVINGS BONDS

| Series and calendar year in which issued | Percent of Series J savings bonds redeemed by end of-- | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | $25 denomination | | | | | | | | | | | | |
| J-1952.......... | 3 | 11 | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| J-1953.......... | 5 | .... | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| | $100 denomination | | | | | | | | | | | | |
| J-1952.......... | 3 | 14 | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| J-1953.......... | 5 | .... | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| | $500 denomination | | | | | | | | | | | | |
| J-1952.......... | 3 | 10 | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| J-1953.......... | 4 | .... | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| | $1,000 denomination | | | | | | | | | | | | |
| J-1952.......... | 2 | 10 | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| J-1953.......... | 3 | .... | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| | $5,000 denomination | | | | | | | | | | | | |
| J-1952.......... | 1 | 8 | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |
| J-1953.......... | 3 | .... | .... | .... | .... | ..... | .... | ... | ... | ... | .... | ... | ...... |

NOTE.—The percentages shown in this table are the proportions of the value of the bonds originally sold in any calendar year which are redeemed (including redemption of bonds reissued as a result of partial redemptions) before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value.

Footnotes at end of table.

TABLE 39.--Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations[1]--Continued

IV. SERIES J SAVINGS BONDS--Continued

| Series and calendar year in which issued | Percent of Series J savings bonds redeemed by end of-- | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
| | $10,000 denomination | | | | | | | | | | | | |
| J-1952.......... | 2 | 7 | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| J-1953.......... | 2 | ..... | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| | $100,000 denomination | | | | | | | | | | | | |
| J-1952.......... | 2 | 9 | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| J-1953.......... | 4 | ..... | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |

V. SERIES K SAVINGS BONDS

| Series and calendar year in which issued | 1 year | 2 years | 3 years | 4 years | 5 years | 6 years | 7 years | 8 years | 9 years | 10 years | 11 years | 12 years | 13 years |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $500 denomination | | | | | | | | | | | | |
| K-1952.......... | 2 | 7 | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| K-1953.......... | 3 | ..... | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| | $1,000 denomination | | | | | | | | | | | | |
| K-1952.......... | 2 | 7 | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| K-1953.......... | 3 | ..... | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| | $5,000 denomination | | | | | | | | | | | | |
| K-1952.......... | 2 | 7 | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| K-1953.......... | 3 | ..... | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| | $10,000 denomination | | | | | | | | | | | | |
| K-1952.......... | 2 | 6 | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| K-1953.......... | 2 | ..... | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| | $100,000 denomination | | | | | | | | | | | | |
| Series K-1952... | 2 | 4 | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |
| Series K-1953... | 2 | ..... | ...... | ...... | ..... | ...... | ..... | ..... | ..... | ..... | ...... | ...... | ....... |

NOTE.--The percentages shown in this table are the proportions of the value of the bonds originally sold in any calendar year which are redeemed (including redemption of bonds reissued as a result of partial redemptions) before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value.

[1] For Series A through D savings bonds data, see the 1952 annual report, p. 635.
[2] June 1, 1944, was the earliest issue date for bonds of the $10 denomination. Sale was discontinued March 31, 1950.
[3] October 1, 1945, was the earliest issue date for bonds of the $200 denomination.
[4] Series G savings bonds were not available in denominations of $25.

TABLE 40.--Sales and redemptions of Treasury savings notes, August 1941-June 1954[1]

[Par value, in millions of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

| Series and period | Sales | Redemptions[2] | | | Amount outstanding | |
|---|---|---|---|---|---|---|
| | | Total | For cash | For taxes | Matured | Interest bearing |
| Cumulative Aug. 1, 1941-June 30, 1954: | | | | | | |
| Series A (tax series), issued Aug. 1, 1941-June 22, 1943 | [3] 406.9 | 406.4 | [3] 67.6 | 338.8 | 0.5 | ......... |
| Series B (tax series), issued Aug. 1, 1941-Sept. 12, 1942 | 4,943.8 | 4,943.8 | [3] 182.5 | 4,761.3 | (*) | ......... |
| Series C (designated "Tax Series C" until June 23, 1943), issued Sept. 14, 1942-Aug. 31, 1948 | [3] 32,437.8 | 32,434.1 | 11,041.3 | 21,392.8 | 3.7 | ......... |
| Series D, issued Sept. 1, 1948-May 14, 1951 | 12,333.1 | 12,326.2 | 9,260.9 | 3,065.3 | 6.9 | ......... |
| Series A, issued May 15, 1951-May 14, 1953 | 9,186.6 | 8,635.1 | 4,304.6 | 4,330.5 | ......... | 551.4 |
| Series B, issued May 15, 1953-September 25, 1953 | 4,671.4 | 718.6 | 246.1 | 472.5 | ......... | 3,952.8 |
| Series C, issued October 1, 1953-October 23, 1953[4] | 679.6 | 104.7 | 19.8 | 84.9 | ......... | 575.0 |
| Total through June 30, 1954 | 64,659.3 | 59,568.9 | 25,122.8 | 34,446.2 | 11.2 | 5,079.2 |
| All series: | | | | | | |
| By fiscal years: | | | | | | |
| 1942 | 4,138.9 | 1,124.4 | 20.7 | 1,103.7 | ......... | 3,014.5 |
| 1943 | 8,758.5 | 4,277.6 | 183.2 | 4,094.4 | ......... | 7,495.4 |
| 1944 | 8,953.7 | 6,867.2 | 502.1 | 6,365.1 | 25.2 | 9,556.8 |
| 1945 | 7,015.8 | 6,456.3 | 550.2 | 5,906.1 | 5.7 | 10,135.8 |
| 1946 | 3,525.5 | 6,935.1 | 2,630.3 | 4,304.8 | 20.4 | 6,711.5 |
| 1947 | 3,056.6 | 4,200.0 | 2,184.8 | 2,015.2 | 28.5 | 5,560.1 |
| 1948 | 2,143.9 | 3,303.2 | 1,972.1 | 1,331.1 | 35.5 | 4,393.7 |
| 1949 | 3,994.2 | 3,531.5 | 2,078.9 | 1,452.6 | 31.6 | 4,860.2 |
| 1950 | 6,149.9 | 2,549.0 | 1,509.7 | 1,039.3 | 20.5 | 8,472.3 |
| 1951 | 5,142.0 | 5,799.0 | 4,633.0 | 1,166.0 | 18.0 | 7,817.7 |
| 1952 | 4,965.0 | 6,174.3 | 3,437.4 | 2,736.9 | 14.0 | 6,612.5 |
| 1953 | 4,224.5 | 6,388.3 | 4,306.7 | 2,081.7 | 9.8 | 4,452.8 |
| 1954 | 2,590.8 | 1,963.0 | 1,113.7 | 849.4 | 11.2 | 5,079.2 |
| By months: | | | | | | |
| 1953--July | 471.6 | 219.2 | 185.2 | 33.9 | 9.2 | 4,705.8 |
| August | 478.8 | 208.1 | 194.2 | 13.9 | 9.0 | 4,976.6 |
| September | 952.0 | 290.1 | 111.2 | 178.8 | 8.6 | 5,639.0 |
| October | 686.5 | 68.3 | 52.8 | 15.5 | 8.3 | 6,257.5 |
| November | [4] 1.9 | 55.3 | 42.3 | 13.0 | 8.0 | 6,204.3 |
| December | [4] (*) | 166.9 | 67.0 | 99.9 | 19.9 | 6,025.6 |
| 1954--January | ......... | 73.1 | 60.5 | 12.6 | 16.6 | 5,955.8 |
| February | ......... | 71.1 | 46.7 | 24.5 | 13.9 | 5,887.3 |
| March | ......... | 310.3 | 101.3 | 209.0 | 10.1 | 5,580.8 |
| April | ......... | 81.8 | 31.2 | 50.7 | 9.0 | 5,500.1 |
| May | ......... | 151.8 | 145.5 | 6.2 | 13.7 | 5,343.7 |
| June | ......... | 267.0 | 75.7 | 191.3 | 11.2 | 5,079.2 |

*Less than $50,000.

[1] Monthly sales and redemptions from inception will be found in the 1943 annual report pp. 638 and 640, and in corresponding tables in subsequent reports.

[2] Includes both matured and unmatured notes.

[3] Includes exchanges in connection with the offerings in September 1942 of Tax Series A-1945 and Series C.

[4] Since the sale of Series C savings notes was suspended as of October 23, 1954, the small amounts shown in November and December are due to reporting lag.

## INTEREST ON PUBLIC DEBT AND GUARANTEED OBLIGATIONS

TABLE 41. --Amount of interest-bearing public debt outstanding, the computed annual interest charge, and the computed rate of interest, June 30, 1916-54, and at the end of each month during 1954[1]

[On basis of Public Debt accounts through June 1937, and subsequently on basis of daily Treasury statements, see "Bases of Tables"]

| End of fiscal year or month | Interest-bearing debt[2] | Computed annual interest charge | Computed rate of interest |
|---|---|---|---|
| June 30- | | | Percent |
| 1916 | $971,562,590 | $23,084,635 | 2.376 |
| 1917 | 2,712,549,476 | 83,625,482 | 3.120 |
| 1918 | 11,985,882,436 | 468,618,544 | 3.910 |
| 1919 | 25,234,496,273 | 1,054,204,509 | 4.178 |
| 1920 | 24,061,095,361 | 1,016,592,219 | 4.225 |
| 1921 | 23,737,352,080 | 1,029,917,903 | 4.339 |
| 1922 | 22,711,035,587 | 962,896,535 | 4.240 |
| 1923 | 22,007,590,754 | 927,331,341 | 4.214 |
| 1924 | 20,981,586,429 | 876,960,673 | 4.180 |
| 1925 | 20,210,906,251 | 829,680,044 | 4.105 |
| 1926 | 19,383,770,860 | 793,423,952 | 4.093 |
| 1927 | 18,250,943,965 | 722,675,553 | 3.960 |
| 1928 | 17,317,695,096 | 671,353,112 | 3.877 |
| 1929 | 16,638,941,379 | 656,654,311 | 3.946 |
| 1930 | 15,921,892,350 | 606,031,831 | 3.807 |
| 1931 | 16,519,588,640 | 588,987,438 | 3.566 |
| 1932 | 19,161,273,540 | 671,604,676 | 3.505 |
| 1933 | 22,157,643,120 | 742,175,955 | 3.350 |
| 1934 | 26,480,487,920 | 842,301,133 | 3.181 |
| 1935 | 27,645,229,826 | 750,677,802 | 2.716 |
| 1936 | 32,755,631,770 | 838,002,053 | 2.559 |
| 1937 | 35,802,586,915 | 924,347,089 | 2.582 |
| 1938 | 36,575,925,880 | 947,084,058 | 2.589 |
| 1939 | 39,885,969,732 | 1,036,937,397 | 2.600 |
| 1940 | 42,376,495,928 | 1,094,619,914 | 2.583 |
| 1941 | 48,387,399,539 | 1,218,238,845 | 2.518 |
| 1942 | 71,968,418,098 | 1,644,476,360 | 2.285 |
| 1943 | 135,380,305,795 | 2,678,779,036 | 1.979 |
| 1944 | 199,543,355,301 | 3,849,254,656 | 1.929 |
| 1945 | 256,356,615,818 | 4,963,730,414 | 1.936 |
| 1946 | 268,110,872,218 | 5,350,772,231 | 1.996 |
| 1947 | 255,113,412,039 | 5,374,409,074 | 2.107 |
| 1948 | 250,063,348,379 | 5,455,475,791 | 2.182 |
| 1949 | 250,761,636,723 | 5,605,929,714 | 2.236 |
| 1950 | 255,209,353,372 | 5,612,676,516 | 2.200 |
| 1951 | 252,851,765,497 | 5,739,615,990 | 2.270 |
| 1952 | 256,862,861,128 | 5,981,357,116 | 2.329 |
| 1953 | 263,946,017,740 | 6,430,991,316 | 2.438 |
| 1954 | 268,909,766,654 | 6,298,069,299 | 2.342 |
| End of month- | | | |
| 1953-July | 270,603,365,860 | 6,593,499,657 | 2.438 |
| August | 271,144,702,117 | 6,620,196,004 | 2.443 |
| September | 270,743,627,740 | 6,646,303,304 | 2.456 |
| October | 271,290,776,018 | 6,603,310,854 | 2.435 |
| November | 273,127,828,865 | 6,617,589,191 | 2.424 |
| December | 272,880,971,497 | 6,585,146,916 | 2.414 |
| 1954-January | 272,632,056,906 | 6,574,978,787 | 2.412 |
| February | 272,535,810,124 | 6,583,141,027 | 2.416 |
| March | 267,822,974,871 | 6,409,966,913 | 2.394 |
| April | 268,855,242,834 | 6,397,772,417 | 2.380 |
| May | 271,280,067,380 | 6,365,526,902 | 2.347 |
| June | 268,909,766,654 | 6,298,069,299 | 2.342 |

[1] For monthly data back to June 30, 1916, see annual reports for 1929, p. 509; for 1936, p. 442; and corresponding tables in subsequent reports.

[2] Includes discount on Treasury bills from June 30, 1930, but the amount is deducted before calculation of average interest rate. Savings bonds of Series A-F and J are included at their current redemption value from March 1935. Treasury tax and savings notes, beginning August 1941, are included at face amount. The face value of matured savings bonds and notes outstanding is included until all of the annual series have matured, when they are transferred to matured debt on which interest has ceased. For computation of average interest rate on savings bonds, see footnote 4 to following table.

TABLE 42.--Computed annual interest charge and computed annual interest rate on the public debt by security classes, June 30, 1939-54[1]

[Dollar amounts in millions. On basis of daily Treasury statements, see "Bases of Tables"]

| End of fiscal year or month | Total public debt | Marketable issues | | | | | Nonmarketable issues | | | | Special issues |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total[2] | Bills[3] | Certificates | Notes | Treasury bonds | Total | Savings bonds[4] | Tax and savings notes | Other | |
| | Computed annual interest rate | | | | | | | | | | |
| June 30— | | | | | | | | | | | |
| 1939 | 2.600 | 2.525 | 0.010 | ........... | 1.448 | 2.964 | 2.913 | 2.900 | ........... | 3.000 | 3.091 |
| 1940 | 2.583 | 2.492 | .038 | ........... | 1.256 | 2.908 | 2.908 | 2.900 | ........... | 3.000 | 3.026 |
| 1941 | 2.518 | 2.413 | .089 | ........... | 1.075 | 2.787 | 2.865 | 2.858 | ........... | 3.000 | 2.904 |
| 1942 | 2.285 | 2.225 | .360 | 0.564 | 1.092 | 2.680 | 2.277 | 2.787 | 0.506 | 2.743 | 2.681 |
| 1943 | 1.979 | 1.822 | .380 | .875 | 1.165 | 2.494 | 2.330 | 2.782 | 1.040 | 2.495 | 2.408 |
| 1944 | 1.929 | 1.725 | .381 | .875 | 1.281 | 2.379 | 2.417 | 2.788 | 1.080 | 2.314 | 2.405 |
| 1945 | 1.936 | 1.718 | .381 | .875 | 1.204 | 2.314 | 2.473 | 2.789 | 1.076 | 2.000 | 2.436 |
| 1946 | 1.996 | 1.773 | .381 | .875 | 1.289 | 2.307 | 2.567 | 2.777 | 1.070 | 2.000 | 2.448 |
| 1947 | 2.107 | 1.871 | .382 | .875 | 1.448 | 2.307 | 2.593 | 2.765 | 1.070 | 2.423 | 2.510 |
| 1948 | 2.182 | 1.942 | 1.014 | 1.042 | 1.204 | 2.309 | 2.623 | 2.759 | 1.070 | 2.414 | 2.588 |
| 1949 | 2.236 | 2.001 | 1.176 | 1.225 | 1.375 | 2.313 | 2.629 | 2.751 | 1.290 | 2.393 | 2.596 |
| 1950 | 2.200 | 1.958 | 1.187 | 1.163 | 1.344 | 2.322 | 2.569 | 2.748 | 1.383 | 2.407 | 2.589 |
| 1951 | 2.270 | 1.981 | 1.569 | 1.875 | 1.399 | 2.327 | 2.623 | 2.742 | 1.567 | 2.717 | 2.606 |
| 1952 | 2.329 | 2.051 | 1.711 | 1.875 | 1.560 | 2.317 | 2.659 | 2.745 | 1.785 | 2.714 | 2.675 |
| 1953 | 2.438 | 2.207 | 2.254 | 2.319 | 1.754 | 2.342 | 2.720 | 2.760 | 2.231 | 2.708 | 2.746 |
| 1954 | 2.342 | 2.043 | .843 | 1.928 | 1.838 | 2.440 | 2.751 | 2.793 | 2.377 | 2.709 | 2.671 |
| End of month: | | | | | | | | | | | |
| 1953—July | 2.438 | 2.214 | 2.221 | 2.368 | 1.753 | 2.342 | 2.722 | 2.761 | 2.273 | 2.709 | 2.751 |
| August | 2.443 | 2.221 | 2.187 | 2.450 | 1.753 | 2.342 | 2.723 | 2.762 | 2.309 | 2.709 | 2.750 |
| September | 2.456 | 2.242 | 2.067 | 2.482 | 1.852 | 2.380 | 2.723 | 2.764 | 2.347 | 2.708 | 2.751 |
| October | 2.435 | 2.206 | 1.792 | 2.482 | 1.851 | 2.380 | 2.720 | 2.765 | 2.337 | 2.707 | 2.749 |
| November | 2.424 | 2.188 | 1.583 | 2.482 | 1.847 | 2.391 | 2.722 | 2.766 | 2.339 | 2.708 | 2.749 |
| December | 2.414 | 2.170 | 1.510 | 2.482 | 1.765 | 2.393 | 2.725 | 2.768 | 2.347 | 2.709 | 2.747 |
| 1954—January | 2.412 | 2.164 | 1.465 | 2.482 | 1.765 | 2.393 | 2.733 | 2.778 | 2.349 | 2.710 | 2.746 |
| February | 2.416 | 2.168 | 1.326 | 2.319 | 1.831 | 2.429 | 2.739 | 2.785 | 2.350 | 2.710 | 2.744 |
| March | 2.394 | 2.120 | 1.128 | 2.263 | 1.832 | 2.430 | 2.742 | 2.787 | 2.354 | 2.710 | 2.744 |
| April | 2.380 | 2.097 | 1.015 | 2.263 | 1.832 | 2.430 | 2.744 | 2.789 | 2.357 | 2.709 | 2.743 |
| May | 2.347 | 2.041 | .959 | 1.934 | 1.839 | 2.439 | 2.747 | 2.790 | 2.370 | 2.710 | 2.740 |
| June | 2.342 | 2.043 | .843 | 1.928 | 1.838 | 2.440 | 2.751 | 2.793 | 2.377 | 2.709 | 2.671 |

| | Computed annual interest charge | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| June 30-- | | | | | | | | | | | |
| 1939 | $1,037 | $858 | (*) | ........... | $105 | $747 | $63 | $54 | ........... | $8 | $117 |
| 1940 | 1,095 | 858 | (*) | ........... | 80 | 772 | 92 | 84 | ........... | 8 | 145 |
| 1941 | 1,218 | 910 | $1 | ........... | 61 | 842 | 130 | 123 | ........... | 7 | 178 |
| 1942 | 1,644 | 1,125 | 9 | $17 | 73 | 1,021 | 307 | 284 | $15 | 8 | 211 |
| 1943 | 2,679 | 1,737 | 45 | 145 | 107 | 1,435 | 680 | 591 | 78 | 11 | 262 |
| 1944 | 3,849 | 2,422 | 56 | 252 | 223 | 1,885 | 1,084 | 965 | 103 | 16 | 344 |
| 1945 | 4,964 | 3,115 | 65 | 299 | 283 | 2,463 | 1,390 | 1,271 | 109 | 10 | 458 |
| 1946 | 5,351 | 3,362 | 65 | 305 | 235 | 2,753 | 1,442 | 1,362 | 72 | 9 | 547 |
| 1947 | 5,374 | 3,156 | 60 | 221 | 118 | 2,753 | 1,530 | 1,420 | 59 | 51 | 687 |
| 1948 | 5,455 | 3,113 | 139 | 235 | 137 | 2,597 | 1,561 | 1,470 | 47 | 44 | 782 |
| 1949 | 5,606 | 3,103 | 135 | 361 | 49 | 2,554 | 1,652 | 1,548 | 63 | 41 | 851 |
| 1950 | 5,613 | 3,040 | 160 | 214 | 274 | 2,387 | 1,735 | 1,581 | 117 | 37 | 838 |
| 1951 | 5,740 | 2,731 | 213 | 178 | 501 | 1,835 | 2,106 | 1,579 | 123 | 405 | 903 |
| 1952 | 5,981 | 2,879 | 293 | 533 | 296 | 1,753 | 2,093 | 1,583 | 118 | 391 | 1,010 |
| 1953 | 6,431 | 3,249 | 442 | 368 | 534 | 1,903 | 2,069 | 1,598 | 99 | 372 | 1,115 |
| 1954 | 6,298 | 3,071 | 164 | 355 | 588 | 1,962 | 2,099 | 1,622 | 121 | 357 | 1,128 |
| End of month: | | | | | | | | | | | |
| 1953--July | 6,593 | 3,401 | 446 | 515 | 534 | 1,903 | 2,075 | 1,598 | 107 | 370 | 1,117 |
| August | 6,620 | 3,411 | 440 | 531 | 535 | 1,903 | 2,082 | 1,598 | 115 | 369 | 1,127 |
| September | 6,646 | 3,423 | 401 | 654 | 622 | 1,743 | 2,096 | 1,597 | 132 | 367 | 1,127 |
| October | 6,603 | 3,373 | 348 | 655 | 624 | 1,743 | 2,106 | 1,597 | 146 | 363 | 1,124 |
| November | 6,618 | 3,384 | 308 | 655 | 614 | 1,804 | 2,106 | 1,599 | 145 | 362 | 1,127 |
| December | 6,585 | 3,354 | 294 | 655 | 554 | 1,848 | 2,100 | 1,598 | 141 | 361 | 1,132 |
| 1954--January | 6,575 | 3,345 | 285 | 655 | 554 | 1,848 | 2,104 | 1,604 | 140 | 360 | 1,126 |
| February | 6,583 | 3,348 | 258 | 586 | 492 | 2,010 | 2,108 | 1,610 | 138 | 360 | 1,127 |
| March | 6,410 | 3,180 | 236 | 439 | 491 | 2,012 | 2,104 | 1,614 | 131 | 359 | 1,125 |
| April | 6,398 | 3,167 | 223 | 439 | 491 | 2,012 | 2,105 | 1,617 | 130 | 359 | 1,126 |
| May | 6,366 | 3,128 | 211 | 359 | 587 | 1,968 | 2,104 | 1,619 | 127 | 358 | 1,134 |
| June | 6,298 | 3,071 | 164 | 355 | 588 | 1,962 | 2,099 | 1,622 | 121 | 357 | 1,128 |

* Less than $500,000.

[1] See table 18 for amounts of public debt outstanding by security classes.

[2] Total includes postal savings and Panama Canal bonds, and also conversion bonds prior to 1947.

[3] Included in debt outstanding at face amount, but the discount value is used in computing the annual interest charge and the annual interest rate.

[4] The annual interest charge and annual interest rate on United States savings bonds are computed on the basis of the rate to maturity applied against the amount outstanding.

TABLE 43.--Interest on the public debt becoming due and payable by security classes, fiscal years 1951-54

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

| Class of security | 1951 | 1952 | 1953 | 1954 |
|---|---|---|---|---|
| Public issues: | | | | |
| Marketable obligations: | | | | |
| Treasury bills[1] | 190.2 | 285.4 | 403.7 | 274.2 |
| Certificates of indebtedness | 214.2 | 127.9 | 590.1 | 463.2 |
| Treasury notes | 358.3 | 517.1 | 450.6 | 545.9 |
| Treasury bonds | 2,232.8 | 1,815.3 | 1,852.0 | 1,814.7 |
| Postal savings bonds | 2.7 | 2.6 | 2.2 | 1.6 |
| Liberty and Victory loans | (*) | (*) | (*) | (*) |
| Prewar loans | 1.5 | 1.5 | 1.5 | 1.5 |
| Total marketable obligations | 2,999.8 | 2,749.8 | 3,300.1 | 3,101.1 |
| Nonmarketable obligations: | | | | |
| Treasury tax and savings notes | 117.1 | 121.3 | 105.2 | 123.1 |
| United States savings bonds: | | | | |
| Series D, E, F, and J[1] | 1,146.8 | 1,209.5 | 1,224.3 | 1,234.1 |
| Series G, H, and K | 445.4 | 454.4 | 454.2 | 433.1 |
| Depositary bonds | 5.8 | 6.9 | 7.8 | 8.6 |
| Armed forces leave bonds | 4.3 | .2 | (*) | (*) |
| Treasury bonds, investment series | 23.8 | 370.9 | 368.5 | 354.9 |
| Adjusted service bonds of 1945 | (*) | (*) | (*) | (*) |
| Total nonmarketable obligations | 1,743.2 | 2,163.1 | 2,160.1 | 2,153.8 |
| Total public issues | 4,742.9 | 4,912.9 | 5,460.1 | 5,254.9 |
| Special issues: | | | | |
| Treasury notes | 443.5 | 457.3 | 489.2 | 462.6 |
| Certificates of indebtedness | 428.7 | 482.8 | 554.3 | 665.0 |
| Total special issues | 872.2 | 940.1 | 1,043.5 | 1,127.6 |
| Total interest on public debt | 5,615.1 | 5,853.0 | 6,503.6 | 6,382.5 |

*Less than $50,000.
[1] Amounts represent discount treated as interest.

TABLE 44.--Interest paid on the public debt and guaranteed obligations, classified by tax status, fiscal years 1940-54 [1]

[In millions of dollars. On basis of Public Debt accounts, see "Bases of Tables"]

| Fiscal year | Total | Tax-exempt | | | Taxable | Special issues to Government agencies and trust funds |
|---|---|---|---|---|---|---|
| | | Total | Wholly | Partially | | |
| | Grand total | | | | | |
| 1940 | 1,151.4 | 1,019.5 | 104.2 | 915.3 | .......... | 131.8 |
| 1941 | 1,221.1 | 1,060.9 | 79.2 | 981.7 | 0.5 | 159.6 |
| 1942 | 1,385.7 | 1,020.2 | 57.1 | 963.1 | 166.1 | 199.4 |
| 1943 | 1,895.0 | 962.2 | 38.3 | 924.0 | 691.5 | 241.3 |
| 1944 | 2,688.0 | 917.8 | 27.2 | 890.7 | 1,462.0 | 308.2 |
| 1945 | 3,640.0 | 793.4 | 45.3 | 748.1 | 2,441.1 | 405.4 |
| 1946 | 4,749.1 | 713.5 | 26.0 | 687.5 | 3,530.8 | 504.8 |
| 1947 | 4,959.6 | 602.6 | 7.0 | 595.6 | 3,755.1 | 601.9 |
| 1948 | 5,188.9 | 575.8 | 5.6 | 570.3 | 3,884.9 | 728.1 |
| 1949 | 5,353.0 | 495.0 | 5.1 | 489.9 | 4,040.5 | 817.5 |
| 1950 | 5,496.7 | 417.0 | 4.3 | 412.7 | 4,218.9 | 860.8 |
| 1951 | 5,616.2 | 330.2 | 4.2 | 325.9 | 4,413.8 | 872.2 |
| 1952 | 5,854.8 | 226.4 | 4.1 | 222.3 | 4,688.3 | 940.1 |
| 1953 | 6,506.0 | 202.0 | 3.7 | 198.3 | 5,260.5 | 1,043.5 |
| 1954 | 6,384.7 | 184.2 | 3.1 | 181.0 | 5,072.9 | 1,127.6 |
| | Issued by U. S. Government | | | | | |
| 1940 | 1,041.4 | 909.6 | 104.2 | 805.4 | .......... | 131.8 |
| 1941 | 1,110.2 | 950.1 | 79.2 | 870.9 | 0.5 | 159.6 |
| 1942 | 1,260.1 | 907.2 | 57.1 | 850.1 | 153.5 | 199.4 |
| 1943 | 1,813.0 | 895.6 | 38.3 | 857.4 | 676.1 | 241.3 |
| 1944 | 2,610.1 | 852.2 | 27.2 | 825.0 | 1,449.8 | 308.2 |
| 1945 | 3,621.9 | 780.2 | 45.3 | 734.9 | 2,436.3 | 405.4 |
| 1946 | 4,747.5 | 711.9 | 26.0 | 685.9 | 3,530.8 | 504.8 |
| 1947 | 4,958.0 | 601.0 | 7.0 | 594.0 | 3,755.1 | 601.9 |
| 1948 | 5,187.8 | 574.8 | 5.6 | 569.2 | 3,884.9 | 728.1 |
| 1949 | 5,352.3 | 494.5 | 5.1 | 489.4 | 4,040.3 | 817.5 |
| 1950 | 5,496.3 | 416.7 | 4.3 | 412.4 | 4,218.8 | 860.8 |
| 1951 | 5,615.1 | 329.9 | 4.2 | 325.7 | 4,413.0 | 872.2 |
| 1952 | 5,853.0 | 226.0 | 4.1 | 221.9 | 4,686.9 | 940.1 |
| 1953 | 6,503.6 | 201.7 | 3.7 | 198.0 | 5,258.4 | 1,043.5 |
| 1954 | 6,382.5 | 183.9 | 3.1 | 180.8 | 5,071.0 | 1,127.6 |
| | Issued by Federal instrumentalities: Guaranteed issues | | | | | |
| 1940 | 109.9 | 109.9 | .......... | 109.9 | .......... | .......... |
| 1941 | 110.9 | 110.9 | .......... | 110.9 | .......... | .......... |
| 1942 | 125.6 | 113.0 | .......... | 113.0 | 12.6 | .......... |
| 1943 | 82.0 | 66.6 | .......... | 66.6 | 15.4 | .......... |
| 1944 | 77.9 | 65.7 | .......... | 65.7 | 12.2 | .......... |
| 1945 | 18.0 | 13.2 | .......... | 13.2 | 4.8 | .......... |
| 1946 | 1.6 | 1.6 | .......... | 1.6 | (*) | .......... |
| 1947 | 1.6 | 1.6 | .......... | 1.6 | (*) | .......... |
| 1948 | 1.1 | 1.1 | .......... | 1.1 | (*) | .......... |
| 1949 | .7 | .4 | .......... | .4 | .2 | .......... |
| 1950 | .5 | .3 | .......... | .3 | .1 | .......... |
| 1951 | 1.1 | .3 | .......... | .3 | .8 | .......... |
| 1952 | 1.8 | .4 | .......... | .4 | 1.4 | .......... |
| 1953 | 2.4 | .3 | .......... | .3 | 2.1 | .......... |
| 1954 | 2.2 | .2 | .......... | .2 | 2.0 | .......... |

NOTE.--Amount of interest paid includes increase in redemption value of United States savings bonds and discount on unmatured issues of Treasury bills. Interest paid on guaranteed issues does not include amounts paid on demand obligations of Commodity Credit Corporation. Data for 1913-33 will be found in the 1948 annual report, p. 539, and for 1934-39 in the 1952 annual report, p. 645.

*Less than $50,000.

[1] Figures for 1934 to 1949, inclusive, represent actual interest payments; figures for 1950 to 1954, inclusive, represent interest which became due and payable during those years without regard to actual payments.

## PRICES AND YIELDS OF SECURITIES

TABLE 45.--Average yields of long-term Treasury bonds by months, January 1930-June 1954[1]

[Averages of daily figures. Percent per annum compounded semiannually]

| Year | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Average |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PARTIALLY TAX-EXEMPT BONDS[2] | | | | | | | | | | | | | |
| 1930 | 3.43 | 3.41 | 3.29 | 3.37 | 3.31 | 3.25 | 3.25 | 3.26 | 3.24 | 3.21 | 3.19 | 3.22 | 3.29 |
| 1931 | 3.20 | 3.30 | 3.27 | 3.26 | 3.16 | 3.13 | 3.15 | 3.18 | 3.25 | 3.63 | 3.63 | 3.93 | 3.34 |
| 1932 | 4.26 | 4.11 | 3.92 | 3.68 | 3.76 | 3.76 | 3.58 | 3.45 | 3.42 | 3.43 | 3.45 | 3.35 | 3.68 |
| 1933 | 3.22 | 3.31 | 3.42 | 3.42 | 3.30 | 3.21 | 3.20 | 3.21 | 3.19 | 3.22 | 3.46 | 3.53 | 3.31 |
| 1934 | 3.50 | 3.32 | 3.20 | 3.11 | 3.02 | 2.98 | 2.92 | 3.03 | 3.20 | 3.10 | 3.07 | 3.01 | 3.12 |
| 1935 | 2.88 | 2.79 | 2.77 | 2.74 | 2.72 | 2.72 | 2.69 | 2.76 | 2.85 | 2.85 | 2.83 | 2.84 | 2.79 |
| 1936 | 2.81 | 2.78 | 2.73 | 2.70 | 2.68 | 2.69 | 2.68 | 2.64 | 2.65 | 2.68 | 2.60 | 2.59 | 2.69 |
| 1937 | 2.56 | 2.54 | 2.66 | 2.83 | 2.80 | 2.81 | 2.78 | 2.78 | 2.82 | 2.82 | 2.78 | 2.73 | 2.74 |
| 1938 | 2.69 | 2.68 | 2.67 | 2.66 | 2.56 | 2.58 | 2.58 | 2.57 | 2.63 | 2.55 | 2.56 | 2.56 | 2.61 |
| 1939 | 2.54 | 2.51 | 2.43 | 2.38 | 2.27 | 2.22 | 2.23 | 2.27 | 2.67 | 2.60 | 2.46 | 2.35 | 2.41 |
| 1940 | 2.30 | 2.32 | 2.26 | 2.26 | 2.39 | 2.40 | 2.30 | 2.31 | 2.25 | 2.21 | 2.09 | 2.01 | 2.26 |
| 1941 | 2.12 | 2.22 | 2.12 | 2.07 | 2.04 | 2.01 | 1.98 | 2.01 | 2.02 | 1.98 | 1.95 | 2.06 | 2.05 |
| 1942 | 2.10 | 2.17 | 2.10 | 2.07 | 2.06 | 2.04 | 2.04 | 2.06 | 2.08 | 2.09 | 2.10 | 2.13 | 2.09 |
| 1943 | 2.11 | 2.11 | 2.12 | 2.05 | 1.96 | 1.91 | 1.91 | 1.92 | 1.90 | 1.90 | 1.94 | 1.95 | 1.98 |
| 1944 | 1.95 | 1.93 | 1.91 | 1.94 | 1.94 | 1.91 | 1.89 | 1.90 | 1.93 | 1.93 | 1.90 | 1.87 | 1.92 |
| 1945 | 1.81 | 1.75 | 1.70 | 1.68 | 1.68 | 1.63 | 1.63 | 1.68 | 1.68 | 1.62 | 1.56 | [2] 1.51 | [2] 1.66 |
| TAXABLE BONDS[3] | | | | | | | | | | | | | |
| 1941 | .... | .... | .... | .... | .... | .... | .... | .... | .... | 2.34 | 2.34 | 2.47 | .... |
| 1942 | 2.48 | 2.48 | 2.46 | 2.44 | 2.45 | 2.43 | 2.46 | 2.47 | 2.46 | 2.45 | 2.47 | 2.49 | 2.46 |
| 1943 | 2.46 | 2.46 | 2.48 | 2.48 | 2.46 | 2.45 | 2.45 | 2.46 | 2.48 | 2.48 | 2.48 | 2.49 | 2.47 |
| 1944 | 2.49 | 2.49 | 2.48 | 2.48 | 2.49 | 2.49 | 2.49 | 2.48 | 2.47 | 2.48 | 2.48 | 2.48 | 2.48 |
| 1945 | 2.44 | 2.38 | 2.40 | 2.39 | 2.39 | 2.35 | 2.34 | 2.36 | 2.37 | 2.35 | 2.33 | 2.33 | 2.37 |
| 1946 | 2.21 | 2.12 | 2.09 | 2.08 | 2.19 | 2.16 | 2.18 | 2.23 | 2.28 | 2.26 | 2.25 | 2.24 | 2.19 |
| 1947 | 2.21 | 2.21 | 2.19 | 2.19 | 2.19 | 2.22 | 2.25 | 2.24 | 2.24 | 2.27 | 2.36 | 2.39 | 2.25 |
| 1948 | 2.45 | 2.45 | 2.44 | 2.44 | 2.42 | 2.41 | 2.44 | 2.45 | 2.45 | 2.45 | 2.44 | 2.44 | 2.44 |
| 1949 | 2.42 | 2.39 | 2.38 | 2.38 | 2.38 | 2.38 | 2.27 | 2.24 | 2.22 | 2.22 | 2.20 | 2.19 | 2.31 |
| 1950 | 2.20 | 2.24 | 2.27 | 2.30 | 2.31 | 2.33 | 2.34 | 2.33 | 2.36 | 2.38 | 2.38 | 2.39 | 2.32 |
| 1951 | 2.39 | 2.40 | 2.47 | 2.56 | 2.63 | 2.65 | 2.63 | 2.57 | 2.56 | 2.61 | 2.66 | 2.70 | 2.57 |
| 1952 | 2.74 | 2.71 | 2.70 | [3] 2.64 | 2.57 | 2.61 | 2.61 | 2.70 | 2.71 | 2.74 | 2.71 | 2.75 | 2.68 |
| 1953 | 2.80 | 2.83 | 2.89 | [4] 2.97 | 3.09 | 3.09 | 2.99 | 3.00 | 2.97 | 2.83 | 2.85 | 2.79 | 2.92 |
| 1954 | 2.68 | 2.60 | 2.51 | 2.47 | 2.52 | 2.54 | .... | .... | .... | .... | .... | .... | .... |

[1] For bonds selling above par and callable at par before maturity, the yields are computed on the basis of redemption at first call date; while for bonds selling below par, yields are computed to maturity. Monthly averages are averages of daily figures. Each daily figure is an unweighted average of the yields of the individual issues. Prior to September 1941, yields were computed on the basis of the day's closing price on the New York Stock Exchange except that on days when an issue did not sell, the yield was computed on the mean of closing bid and ask quotations on the Stock Exchange. From September 1941 through March 1953, yields are computed on the basis of the mean of closing bid and ask quotations in the over-the-counter market. Commencing April 1953, yields, as reported by the Federal Reserve Bank of New York, are based on over-the counter bid quotations. For average yields by months from January 1919 through December 1929, see p. 662 of the annual report for 1943.

[2] From July 17, 1928, through Nov. 29, 1935, yields are based on all outstanding partially tax-exempt Treasury bonds neither due nor callable for 12 years; from Nov. 30, 1935, through Dec. 14, 1945, yields are based on all outstanding partially tax-exempt Treasury bonds neither due nor callable for 15 years. This average was discontinued as of Dec. 15, 1945, because there were no longer any bonds of this classification due or callable in 15 or more years.

[3] Taxable bonds are those on which the interest is subject to both the normal and surtax rates of the Federal income tax. This average commenced Oct. 20, 1941. From Oct. 20, 1941, through Mar. 31, 1952, yields are based on all outstanding taxable Treasury bonds neither due nor callable for 15 years; beginning Apr. 1,1952, yields are based on all outstanding taxable Treasury bonds neither due nor callable for 12 years.

[4] The average excludes the 3 1/4% taxable bond of June 15, 1978-83 first quoted on "when issued" basis Apr. 15, 1953, yields of which follow:

| Year | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Average |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1953 | .... | .... | .... | 3.24 | 3.26 | 3.29 | 3.25 | 3.22 | 3.19 | 3.06 | 3.04 | 2.96 | 3.16 |
| 1954 | 2.90 | 2.85 | 2.73 | 2.70 | 2.72 | 2.70 | .... | .... | .... | .... | .... | .... | .... |

TABLE 46.--Prices and yields of marketable public debt issues, June 30, 1953, and June 30, 1954, and price ranges since first traded[1]

[Price decimals are thirty-seconds and + indicates additional sixty-fourth]

| Issue[2] | June 30, 1953 | | | June 30, 1954 | | | Price range since first traded[4] | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Price | | Yield to call or to maturity-percent[3] | Price | | Yield to call or to maturity-percent[3] | High | | Low | |
| | Bid | Ask | | Bid | Ask | | Price | Date | Price | Date |
| Taxable issues: | | | | | | | | | | |
| Treasury bonds: | | | | | | | | | | |
| 2% Sept. 15, 1951-53 | 100.00 | 100.02 | 1.99 | ....... | ....... | ....... | 104.18 | Mar. 11, 1946 | 99.19 | Dec. 26, 1951 |
| 2% June 15, 1952-54[5] | 99.23 | 99.25 | 2.30 | ....... | ....... | ....... | 104.27 | Feb. 18, 1946 | 99.10 | May 29, 1953 |
| 2 1/4% June 15, 1952-55[6] | 99.15 | 99.19 | 2.53 | ....... | ....... | ....... | 106.08 | Feb. 9, 1946 | 98.30 | June 1, 1953 |
| 2% Dec. 15, 1952-54[7] | 99.11 | 99.13 | 2.46 | 100.23 | 100.25 | .41 | 105.00 | Mar. 11, 1946 | 99.00 | June 2, 1953 |
| 2% Dec. 15, 1951-55[8] | 98.20 | 98.24 | 2.58 | 100.22 | 100.24 | .48 | 104.26 | Mar. 11, 1946 | 98.08 | June 3, 1953 |
| 2 1/2% Mar. 15, 1956-58 | 98.30 | 99.04 | 2.75 | 102.13 | 102.16 | 1.07 | 110.22 | Feb. 8, 1946 | 97.10 | June 1, 1953 |
| 2 1/4% Sept. 15, 1956-59 | 96.20 | 96.26 | 2.85 | 101.30 | 102.01 | 1.36 | 107.16 | Apr. 6, 1946 | 95.04 | June 2, 1953 |
| 2 3/8% Mar. 15, 1957-59 | 97.20 | 97.28 | 2.83 | 102.24 | 102.27 | 1.33 | 102.24 | June 30, 1954 | 96.06 | June 2, 1953 |
| 2 3/8% June 15, 1958 | 97.31 | 98.07 | 2.82 | 102.22 | 102.25 | 1.67 | 102.30 | Apr. 29, 1954 | 96.10 | June 1, 1953 |
| 2 1/2% Dec. 15, 1958 | 98.18 | 98.26 | 2.79 | 103.11 | 103.14 | 1.72 | 103.24 | Apr. 29, 1954 | 97.04 | June 1, 1953 |
| 2 1/4% June 15, 1959-62 | 94.18 | 94.26 | 2.94 | 101.12 | 101.18 | 1.96 | 104.20 | Apr. 6, 1946 | 92.02 | June 1, 1953 |
| 2 1/4% Dec. 15, 1959-62 | 94.18 | 94.26 | 2.91 | 101.12 | 101.18 | 1.99 | 104.21 | Apr. 6, 1946 | 92.00 | June 1, 1953 |
| 2 3/4% Sept. 15, 1961 | ....... | ....... | ....... | 104.00 | 104.04 | 2.15 | 104.22 | Apr. 30, 1954 | 100.19 | Nov. 13, 1953 |
| 2 1/2% Nov. 15, 1961 | ....... | ....... | ....... | 102.15 | 102.19 | 2.14 | 103.00 | Apr. 30, 1954 | 100.12 | Feb. 1, 1954 |
| 2 1/2% June 15, 1962-67 | 94.10 | 94.18 | 3.01 | 101.13 | 101.19 | 2.31 | 108.12 | Apr. 6, 1946 | 92.00 | June 1, 1953 |
| 2 1/2% Dec. 15, 1963-68 | 93.14 | 93.22 | 3.03 | 100.24 | 100.30 | 2.41 | 108.03 | Apr. 6, 1946 | 91.04 | June 1, 1953 |
| 2 1/2% June 15, 1964-69 | 93.10 | 93.18 | 3.03 | 100.12 | 100.18 | 2.46 | 107.25 | Apr. 6, 1946 | 90.28 | June 1, 1953 |
| 2 1/2% Dec. 15, 1964-69 | 93.00 | 93.08 | 3.04 | 100.10 | 100.16 | 2.47 | 107.24 | Apr. 6, 1946 | 90.20 | June 1, 1953 |
| 2 1/2% Mar. 15, 1965-70 | 92.24 | 93.00 | 3.06 | 100.06 | 100.12 | 2.48 | 107.23 | Apr. 6, 1946 | 90.18 | June 1, 1953 |
| 2 1/2% Mar. 15, 1966-71 | 92.20 | 92.28 | 3.04 | 100.02 | 100.08 | 2.49 | 107.22 | Apr. 6, 1946 | 90.16 | June 1, 1953 |
| 2 1/2% June 15, 1967-72 | 92.22 | 92.30 | 3.00 | 99.30 | 100.04 | 2.51 | 106.16 | Apr. 6, 1946 | 89.30 | June 1, 1953 |
| 2 1/2% Sept. 15, 1967-72 | 92.12 | 92.20 | 3.02 | 99.30 | 100.04 | 2.51 | 109.18 | Apr. 6, 1946 | [illegible] | June 1, 1953 |
| 2 1/2% Dec. 15, 1967-72 | 92.20 | 92.28 | 3.00 | 99.29 | 100.03 | 2.51 | 106.16 | Apr. 6, 1946 | 89.30 | June 1, 1953 |
| 3 1/4% June 15, 1978-83 | 99.22 | 99.26 | 3.26 | 110.08 | 110.14 | 2.67 | 110.04 | June 29, 1954 | 98.20 | June 1, 1953 |
| Treasury notes: | | | | | | | | | | |
| 2 1/8% A, Dec. 1, 1953 | 100.00 | 100.02 | 2.12 | ....... | ....... | ....... | ....... | ....... | ....... | ....... |
| 1 3/8% A, Mar. 15, 1954 | 99.13 | 99.15 | 2.23 | ....... | ....... | ....... | 100.15 | Jan. 28, 1954 | 98.01+ | May 9, 1951 |
| 1 7/8% B, Dec. 15, 1954 | ....... | ....... | ....... | 100.21 | 100.23 | .43 | ....... | ....... | ....... | ....... |
| 1 1/2% A, Mar. 15, 1955 | 98.13 | 98.16 | 2.46 | 100.18 | 100.20 | .70 | 100.21 | May 5, 1954 | 97.22 | Dec. 26,1951 |
| 1 3/4% B, Dec. 15, 1955 | 98.07 | 98.10 | 2.50 | 101.10 | 101.12 | .84 | 101.10 | June 30, 1954 | 97.21 | June 1, 1953 |
| 1 1/2% EA, Apr. 1, 1956 | 97.14 | 97.24 | 2.47 | 101.00 | ....... | .92 | 101.00 | June 30, 1954 | 97.06 | June 16, 1953 |
| 1 1/2% EO, Oct. 1, 1956 | 96.28 | 97.08 | 2.50 | 101.00 | ....... | 1.05 | 101.00 | June 30, 1954 | 96.20 | June 8, 1953 |
| 2 7/8% A, Mar. 15, 1957 | ....... | ....... | ....... | 103.27 | 103.29 | 1.42 | 104.01 | Feb. 24, 1954 | 100.04+ | Sept. 2, 1953 |
| 1 1/2% EA, Apr. 1, 1957 | 96.08 | 96.20 | 2.56 | 100.12 | 100.20 | 1.36 | 100.12 | June 30, 1954 | 95.24 | June 5, 1953 |
| 1 1/2% EO, Oct. 1, 1957 | 95.24 | 96.04 | 2.56 | 100.12 | 100.20 | 1.38 | 100.12 | June 30, 1954 | 94.24 | June 2, 1953 |
| 1 1/2% EA, Apr. 1, 1958 | 94.24 | 95.08 | 2.68 | 99.24 | 100.00 | 1.57 | 100.00 | Apr. 29, 1954 | 93.16 | June 4, 1953 |
| 1 1/2% EO, Oct. 1, 1958 | ....... | ....... | ....... | 99.22 | 99.30 | 1.58 | 99.28 | June 22, 1954 | 96.02 | Oct. 5, 1953 |
| 1 7/8% A, Feb. 15, 1959 | ....... | ....... | ....... | 100.15 | 100.17 | 1.77 | 100.17 | June 24, 1954 | 99.29 | June 2, 1954 |
| 1 1/2% EA, Apr. 1, 1959 | ....... | ....... | ....... | 99.02 | 99.10 | 1.71 | 99.20 | May 4, 1954 | 98.24 | June 9, 1954 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Taxable issues--Continued | | | | | | | | | | |
| Certificates of indebtedness: | | | | | | | | | | |
| 2% C, Aug. 15, 1953 | 1.90% | 1.70% | 1.90 | ....... | ....... | ........... | ....... | ............. | ....... | ............. |
| 2 1/4% A, Feb. 15, 1954 | 99.30 | 100.00 | 2.33 | ....... | ....... | ........... | ....... | ............. | ....... | ............. |
| 2 5/8% B, June 1, 1954 | 100.04 | 100.06 | 2.48 | ....... | ....... | ........... | ....... | ............. | ....... | ............. |
| 2 5/8% D, Aug. 15, 1954 | ....... | ....... | ........... | 100.11 | 100.13 | [9] $.27 per M | ....... | ............. | ....... | ............. |
| 2 5/8% E, Sept. 15, 1954 | ....... | ....... | ........... | 100.16 | 100.18 | .18 | ....... | ............. | ....... | ............. |
| 1 5/8% A, Feb. 15, 1955 | ....... | ....... | ........... | 100.20+ | 100.22+ | .60 | ....... | ............. | ....... | ............. |
| 1 1/8% B, May 17, 1955 | ....... | ....... | ........... | 100.11 | 100.13 | .74 | ....... | ............. | ....... | ............. |
| Partially tax-exempt issues: | | | | | | | | | | |
| Treasury bonds: | | | | | | | | | | |
| 2 1/4% June 15, 1954-56[6] | 100.16 | 100.19 | 1.72 | ....... | ....... | ........... | 109.29 | Mar. 12, 1946 | 100.09+ | Apr. 21, 1954 |
| 2 7/8% Mar. 15, 1955-60 | 101.17 | 101.21 | 1.95 | 101.22 | 101.24 | .46 | 116.02 | Jan. 12, 1946 | 98.30 | Sept. 20, 1935 |
| 2 3/4% Sept. 15, 1956-59 | 102.12 | 102.20 | 1.98 | 104.06 | 104.10 | .83 | 116.13 | Jan. 26, 1946 | 98.10 | Apr. 1, 1937 |
| 2 3/4% June 15, 1958-63 | 102.28 | 103.12 | 2.14 | 106.12 | 106.18 | 1.10 | 117.04 | Jan. 15, 1946 | 99.15 | Sept. 25, 1939 |
| 2 3/4% Dec. 15, 1960-65 | 104.00 | 104.16 | 2.16 | 108.24 | 109.00 | 1.33 | 119.00 | Jan. 25, 1946 | 99.14 | Sept. 25, 1939 |

[1] Prices on June 30, 1953 and 1954, are over-the-counter closing bid quotations, as reported to the Treasury Department by the Federal Reserve Bank of New York. Yields are percent per annum compounded semiannually except that in the case of securities having only one interest payment, they are computed on a simple interest basis. Quotations on yield basis are indicated by percent signs in price columns.

[2] Excludes Treasury bills, which are fully taxable; and Panama and postal savings bonds, which are fully tax-exempt. For description and amount of each issue outstanding on June 30, 1954, see table 23, for information as of June 30, 1953, see 1953 annual report page 392.

[3] Yields are computed to earliest call date when prices are above par and to maturity date when prices are at par or below.

[4] Beginning April 1953, prices are closing bid quotations. Prices for prior dates are the mean of closing bid and ask quotations, except that before Oct. 1, 1939, they are closing prices on the New York Stock Exchange. When issued prices are included in price range beginning Oct. 1, 1939. Dates of highs and lows in case of recurrence are latest dates. Issues with original maturity of less than 2 years are excluded.

[5] Matured on June 15, 1954.

[6] Called on Feb. 15, 1954, for redemption on June 15, 1954.

[7] Not called for redemption on June 15, 1954, will mature on Dec. 15, 1954.

[8] Callable on succeeding six-month dates from earliest call date until maturity, on 4 months' notice.

[9] Excess of price over zero yield.

## OWNERSHIP OF GOVERNMENTAL SECURITIES

TABLE 47.--Estimated ownership of all interest-bearing governmental securities outstanding, classified by type of issuer, June 30, 1941-54

[Par value.[1] In billions of dollars]

| June 30 | Total amount outstanding | Held by banks | | | Held by U. S. Government investment accounts | Held by private nonbank investors | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total | Commercial banks | Federal Reserve Banks | | Total | Individuals[2] | Insurance companies | Mutual savings banks | Corporations[3] | State, local, and territorial governments[4] | Miscellaneous investors[5] |
| | I. Securities of U. S. Government and Federal instrumentalities guaranteed by United States[6] | | | | | | | | | | | |
| 1941 | 54.7 | 21.8 | 19.7 | 2.2 | 8.5 | 24.4 | 10.6 | 7.1 | 3.4 | 2.0 | 0.6 | 0.7 |
| 1942 | 76.5 | 28.7 | 26.0 | 2.6 | 10.6 | 37.2 | 17.3 | 9.2 | 3.9 | 4.9 | .9 | 1.1 |
| 1943 | 139.5 | 59.4 | 52.2 | 7.2 | 14.3 | 65.7 | 29.6 | 13.1 | 5.3 | 12.9 | 1.5 | 3.4 |
| 1944 | 201.1 | 83.3 | 68.4 | 14.9 | 19.1 | 98.6 | 44.9 | 17.3 | 7.3 | 19.9 | 3.2 | 6.1 |
| 1945 | 256.8 | 106.0 | 84.2 | 21.8 | 24.9 | 125.9 | 58.2 | 22.7 | 9.6 | 21.9 | 5.3 | 8.3 |
| 1946 | 268.6 | 108.2 | 84.4 | 23.8 | 29.1 | 131.2 | 62.2 | 24.9 | 11.5 | 17.6 | 6.5 | 8.6 |
| 1947 | 255.2 | 91.9 | 70.0 | 21.9 | 32.8 | 130.5 | 65.4 | 24.6 | 12.1 | 13.9 | 7.1 | 7.4 |
| 1948 | 250.1 | 85.9 | 64.6 | 21.4 | 35.8 | 128.4 | 64.8 | 22.8 | 12.0 | 13.6 | 7.8 | 7.5 |
| 1949 | 250.8 | 82.4 | 63.0 | 19.3 | 38.3 | 130.1 | 65.9 | 20.5 | 11.6 | 15.6 | 8.0 | 8.5 |
| 1950 | 255.2 | 83.9 | 65.6 | 18.3 | 37.8 | 133.5 | r 66.5 | 19.8 | 11.6 | r 18.4 | 8.7 | 8.4 |
| 1951 | 252.9 | 81.4 | 58.4 | 23.0 | 41.0 | 130.6 | r 64.4 | 17.1 | 10.2 | r 20.0 | 9.4 | 9.4 |
| 1952 | 256.9 | 84.0 | 61.1 | 22.9 | 44.3 | 128.5 | r 63.5 | 15.7 | 9.6 | r 19.1 | 10.4 | 10.3 |
| 1953 | 264.0 | 83.6 | 58.8 | 24.7 | 47.6 | 132.9 | r 65.0 | r 16.0 | 9.5 | r 18.9 | 12.0 | 11.5 |
| 1954 | 269.0 | 88.7 | 63.6 | 25.0 | 49.3 | 131.0 | 63.6 | 15.3 | 9.1 | 16.8 | 14.3 | 11.9 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | II. Securities of Federal instrumentalities not guaranteed by United States[7] | | | | | | | | | | | |
| 1941 | 2.2 | 0.6 | 0.6 | ......... | 0.8 | 0.8 | 0.6 | (*) | (*) | 0.2 | ......... | (*) |
| 1942 | 2.2 | .7 | .7 | ......... | .8 | .7 | .6 | (*) | (*) | .1 | ......... | (*) |
| 1943 | 1.9 | .6 | .6 | ......... | .6 | .7 | .6 | (*) | (*) | .1 | ......... | (*) |
| 1944 | 1.5 | .6 | .6 | ......... | .2 | .7 | .6 | (*) | (*) | .1 | ......... | (*) |
| 1945 | 1.0 | .5 | .5 | ......... | (*) | .5 | .4 | (*) | (*) | .1 | ......... | (*) |
| 1946 | 1.1 | 1.0 | 1.0 | ......... | ......... | .1 | .1 | (*) | (*) | (*) | ......... | (*) |
| 1947 | .5 | .4 | .4 | ......... | ......... | .1 | .1 | (*) | (*) | (*) | ......... | (*) |
| 1948 | .8 | .6 | .6 | ......... | ......... | .2 | .1 | (*) | 0.1 | (*) | ......... | (*) |
| 1949 | .9 | .7 | .7 | ......... | ......... | .2 | .1 | (*) | .1 | (*) | ......... | (*) |
| 1950 | .7 | .6 | .6 | ......... | ......... | .1 | .1 | (*) | (*) | (*) | ......... | (*) |
| 1951 | 1.3 | .8 | .8 | ......... | (*) | .5 | .4 | (*) | .1 | (*) | ......... | (*) |
| 1952 | 1.2 | .7 | .7 | ......... | (*) | .5 | .4 | (*) | (*) | (*) | ......... | (*) |
| 1953 | 1.1 | .6 | .6 | ......... | (*) | .5 | .4 | (*) | (*) | (*) | ......... | (*) |
| 1954 | 1.0 | .5 | .5 | ......... | (*) | .5 | .4 | (*) | (*) | (*) | ......... | (*) |
| | III. Securities of State and local governments, Territories, and possessions[8] | | | | | | | | | | | |
| 1941 | 20.0 | 3.7 | 3.7 | ......... | 0.7 | 15.6 | 7.9 | 2.2 | 0.5 | 0.5 | 3.9 | 0.6 |
| 1942 | 19.5 | 3.6 | 3.6 | ......... | .7 | 15.2 | 7.6 | 2.2 | .4 | .5 | 3.9 | .6 |
| 1943 | 18.5 | 3.5 | 3.5 | ......... | .6 | 14.4 | 7.5 | 1.8 | .2 | .5 | 3.8 | .5 |
| 1944 | 17.3 | 3.5 | 3.5 | ......... | .6 | 13.3 | 7.3 | 1.6 | .2 | .4 | 3.4 | .4 |
| 1945 | 16.4 | 3.8 | 3.8 | ......... | .5 | 12.1 | 7.2 | 1.1 | .1 | .4 | 2.9 | .4 |
| 1946 | 15.7 | 4.1 | 4.1 | ......... | .5 | 11.2 | 7.0 | .9 | .1 | .4 | 2.4 | .4 |
| 1947 | 16.6 | 5.0 | 5.0 | ......... | .5 | 11.1 | 6.9 | .9 | .1 | .4 | 2.4 | .4 |
| 1948 | 18.4 | 5.6 | 5.6 | ......... | .5 | 12.3 | 7.7 | 1.1 | .1 | .4 | 2.5 | .5 |
| 1949 | 20.5 | 6.0 | 6.0 | ......... | .4 | 14.2 | 8.8 | 1.6 | .1 | .5 | 2.7 | .5 |
| 1950 | 23.8 | 7.4 | 7.4 | ......... | .4 | 16.0 | 9.2 | 2.2 | .1 | .5 | 3.5 | .5 |
| 1951 | 26.7 | 8.6 | 8.6 | ......... | .6 | 17.6 | 10.1 | 2.5 | .1 | .6 | 3.7 | .6 |
| 1952 | 29.2 | 9.9 | 9.9 | ......... | .7 | 18.6 | 10.5 | 2.8 | .2 | .6 | 3.9 | .6 |
| 1953 | 32.3 | 10.6 | 10.6 | ......... | .7 | 21.0 | r 11.6 | r 3.5 | .4 | r .7 | 4.2 | .6 |
| 1954 | 37.4 | 12.0 | 12.0 | ......... | .3 | 25.1 | 14.8 | 3.7 | .5 | .8 | 4.5 | .7 |

NOTE.--For data from 1937 through 1940, see the 1952 annual report, pp. 764 and 765.

*Less than $50 million.

[r]Revised.

[1]Figures represent par values except in the case of data which include United States savings bonds of Series A-F and J, which are included on the basis of current redemption values.

[2]Includes partnerships and personal trust accounts. Nonprofit institutions and corporate pension trust funds are included under "Miscellaneous investors."

[3]Exclusive of banks and insurance companies.

[4]Comprises trust, sinking, and investment funds of State and local governments, Territories, and possessions.

[5]Includes savings and loan associations, nonprofit associations, corporate pension trust funds, dealers and brokers, and investments of foreign balances and international accounts in this country.

[6]Data on daily Treasury statement basis. Since data exclude noninterest-bearing debt, they differ slightly from those in discussion of debt ownership. Includes special issues to Federal agencies and trust funds, and excludes guaranteed securities held by the Treasury.

[7]See table 48, footnote 4.

[8]Excludes obligations of the Philippine Islands after June 30, 1946, and Puerto Rico after June 30, 1952.

TABLE 48.--Estimated distribution of interest-bearing governmental securities outstanding June 30, 1941-54, classified by tax status and type of issuer[1]

[Par value.[2] In millions of dollars]

| June 30 | Securities of U. S. Government and Federal instrumentalities guaranteed by U. S.[3] | | | | | Securities of Federal instrumentalities not guaranteed by U. S.[4] | | | | Securities of State, local, and territorial governments | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total | Tax-exempt | | Taxable[7] | Special issues[8] | Total | Tax-exempt | | Taxable[7] | Wholly tax-exempt[5] | | |
| | | Wholly[5] | Partially[6] | | | | Wholly[5] | Partially[6] | | Total | Issues of States and localities | Issues of Territories and possessions[9] |
| | I. Total amount outstanding | | | | | | | | | | | |
| 1941...... | 54,747 | 4,903 | 35,871 | 7,853 | 6,120 | 2,200 | 1,913 | 161 | 126 | 20,007 | 19,860 | 147 |
| 1942...... | 76,517 | 4,260 | 32,987 | 31,386 | 7,885 | 2,210 | 1,721 | 109 | 380 | 19,517 | 19,379 | 138 |
| 1943...... | 139,472 | 3,050 | 32,215 | 93,336 | 10,871 | 1,852 | 1,467 | 55 | 329 | 18,534 | 18,406 | 128 |
| 1944...... | 201,059 | 1,414 | 27,489 | 157,869 | 14,287 | 1,453 | 1,108 | ...... | 345 | 17,314 | 17,194 | 120 |
| 1945...... | 256,766 | 196 | 25,656 | 212,103 | 18,812 | 1,008 | 579 | ...... | 430 | 16,417 | 16,293 | 124 |
| 1946...... | 268,578 | 180 | 21,335 | 224,732 | 22,332 | 1,093 | ...... | ...... | 1,093 | 15,736 | 15,626 | 110 |
| 1947...... | 255,197 | 166 | 20,939 | 206,725 | 27,366 | 497 | ...... | ...... | 497 | 16,580 | 16,529 | 51 |
| 1948...... | 250,132 | 164 | 17,826 | 201,931 | 30,211 | 827 | ...... | ...... | 827 | 18,399 | 18,354 | 45 |
| 1949...... | 250,785 | 162 | 16,187 | 201,660 | 32,776 | 876 | ...... | ...... | 876 | 20,538 | 20,481 | 57 |
| 1950...... | 255,226 | 160 | 12,877 | 209,833 | 32,356 | 746 | ...... | ...... | 746 | 23,804 | 23,722 | 82 |
| 1951...... | 252,879 | 156 | 9,276 | 208,794 | 34,653 | 1,320 | ...... | ...... | 1,320 | 26,688 | 26,592 | 96 |
| 1952...... | 256,907 | 142 | 7,402 | 211,623 | 37,739 | 1,220 | ...... | ...... | 1,220 | 29,217 | 29,111 | 106 |
| 1953...... | 263,997 | 124 | 6,678 | 216,657 | 40,538 | 1,142 | ...... | ...... | 1,142 | 32,268 | 32,200 | 68 |
| 1954...... | 268,990 | 96 | 5,997 | 220,668 | 42,229 | 960 | ...... | ...... | 960 | 37,393 | 37,300 | 93 |
| | II. Held by U. S. Government investment accounts[10] | | | | | | | | | | | |
| 1941...... | 8,494 | 58 | 2,154 | 162 | 6,120 | 814 | 808 | ...... | 6 | 697 | 692 | 5 |
| 1942...... | 10,623 | 53 | 2,030 | 654 | 7,885 | 824 | 807 | ...... | 17 | 735 | 732 | 3 |
| 1943...... | 14,322 | 34 | 1,654 | 1,763 | 10,871 | 560 | 557 | ...... | 3 | 634 | 632 | 2 |
| 1944...... | 19,097 | 35 | 1,468 | 3,307 | 14,287 | 186 | 186 | ...... | ..... | 582 | 580 | 2 |
| 1945...... | 24,940 | 35 | 1,281 | 4,812 | 18,812 | 1 | (*) | ...... | 1 | 490 | 489 | 1 |
| 1946...... | 29,130 | 36 | 992 | 5,770 | 22,332 | ..... | ...... | ...... | ..... | 467 | 466 | 1 |
| 1947...... | 32,810 | 36 | 698 | 4,710 | 27,366 | ..... | ...... | ...... | ..... | 469 | 468 | 1 |
| 1948...... | 35,761 | 37 | 503 | 5,010 | 30,211 | ..... | ...... | ...... | .... | 506 | 505 | 1 |
| 1949...... | 38,288 | 37 | 384 | 5,091 | 32,776 | ..... | ...... | ...... | ..... | 407 | 406 | 1 |
| 1950...... | 37,830 | 37 | 371 | 5,066 | 32,356 | ..... | ...... | ...... | ..... | 423 | 422 | 1 |
| 1951...... | 40,958 | 36 | 142 | 6,127 | 34,653 | 4 | ...... | ...... | 4 | 561 | 559 | 2 |
| 1952...... | 44,335 | 31 | 86 | 6,480 | 37,739 | 4 | ...... | ...... | 4 | 733 | 730 | 2 |
| 1953...... | 47,560 | 23 | 26 | 6,972 | 40,538 | 20 | ...... | ...... | 20 | 733 | 715 | 18 |
| 1954...... | 49,340 | 13 | 12 | 7,086 | 42,229 | 8 | ...... | ...... | 8 | 332 | 329 | 3 |
| | III. Held by Federal Reserve Banks | | | | | | | | | | | |
| 1941...... | 2,184 | 775 | 1,213 | 196 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1942...... | 2,645 | 634 | 1,181 | 830 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1943...... | 7,202 | 306 | 1,323 | 5,574 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1944...... | 14,901 | 49 | 943 | 13,908 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1945...... | 21,792 | ...... | 873 | 20,919 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1946...... | 23,783 | ...... | 529 | 23,254 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1947...... | 21,872 | ...... | 529 | 21,343 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1948...... | 21,366 | ...... | 559 | 20,807 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1949...... | 19,343 | ...... | 210 | 19,132 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1950...... | 18,331 | ...... | 117 | 18,215 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1951...... | 22,982 | ...... | ...... | 22,982 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1952...... | 22,906 | ...... | ...... | 22,906 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1953...... | 24,746 | ...... | ...... | 24,746 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| 1954...... | 25,037 | ...... | ...... | 25,037 | ..... | ..... | ...... | ...... | ..... | ...... | ..... | ........ |
| | IV. Held by State and local governments, Territories, and possessions | | | | | | | | | | | |
| 1941...... | 619 | ...... | 619 | ....... | ...... | ..... | ...... | ...... | ..... | 3,916 | 3,889 | 27 |
| 1942...... | 875 | ...... | 483 | 392 | ...... | ..... | ...... | ...... | ..... | 3,871 | 3,847 | 24 |
| 1943...... | 1,460 | ...... | 393 | 1,067 | ...... | ..... | ...... | ...... | ..... | 3,832 | 3,810 | 22 |
| 1944...... | 3,190 | ...... | 291 | 2,899 | ...... | ..... | ...... | ...... | ..... | 3,430 | 3,399 | 31 |
| 1945...... | 5,256 | ...... | 190 | 5,066 | ...... | ..... | ...... | ...... | ..... | 2,897 | 2,866 | 31 |
| 1946...... | 6,458 | ...... | 139 | 6,319 | ...... | ..... | ...... | ...... | ..... | 2,377 | 2,351 | 26 |
| 1947...... | 7,109 | ...... | n.a. | n.a. | ...... | ..... | ...... | ...... | ..... | 2,437 | 2,428 | 9 |
| 1948...... | 7,786 | ...... | n.a. | n.a. | ...... | ..... | ...... | ...... | ..... | 2,483 | 2,476 | 7 |
| 1949...... | 8,000 | ...... | n.a. | n.a. | ...... | ..... | ...... | ...... | ..... | 2,733 | 2,726 | 7 |
| 1950...... | 8,743 | ...... | n.a. | n.a. | ...... | ..... | ...... | ...... | ..... | 3,475 | 3,468 | 7 |
| 1951...... | 9,408 | ...... | n.a. | n.a. | ...... | ..... | ...... | ...... | ..... | 3,699 | 3,693 | 6 |
| 1952...... | 10,357 | ...... | n.a. | n.a. | ...... | ..... | ...... | ...... | ..... | 3,870 | 3,852 | 18 |
| 1953...... | 11,983 | ...... | n.a. | n.a. | ...... | ..... | ...... | ...... | ..... | 4,181 | 4,176 | 5 |
| 1954...... | 14,340 | ...... | n.a. | n.a. | ...... | ..... | ...... | ...... | ..... | 4,527 | 4,523 | 4 |

Footnotes at end of table.

TABLE 48.--Estimated distribution of interest-bearing governmental securities outstanding June 30, 1941-54, classified by tax status and type of issuer[1]--Continued

[Par value.[2] In millions of dollars]

| June 30 | Securities of U. S. Government and Federal instrumentalities guaranteed by U. S.[3] | | | | | Securities of Federal instrumentalities not guaranteed by U. S.[4] | | | | Securities of State, local, and territorial governments | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total | Tax-exempt | | Taxable[7] | Special issues[8] | Total | Tax-exempt | | Taxable[7] | Wholly tax-exempt[5] | | |
| | | Wholly (5) | Partially[6] | | | | Wholly (5) | Partially[6] | | Total | Issues of States and localities | Issues of Territories and possessions[9] |
| | V. Privately held securities | | | | | | | | | | | |
| 1941..... | 43,450 | 4,070 | 31,885 | 7,495 | ...... | 1,385 | 1,104 | 161 | 120 | 15,394 | 15,279 | 115 |
| 1942..... | 62,375 | 3,573 | 29,293 | 29,510 | ...... | 1,386 | 914 | 109 | 363 | 14,911 | 14,800 | 111 |
| 1943..... | 116,488 | 2,710 | 28,845 | 84,933 | ...... | 1,292 | 910 | 55 | 326 | 14,068 | 13,964 | 104 |
| 1944..... | 163,870 | 1,330 | 24,788 | 137,753 | ...... | 1,267 | 923 | ..... | 345 | 13,302 | 13,215 | 87 |
| 1945..... | 204,777 | 161 | 23,310 | 181,307 | ...... | 1,007 | 579 | ..... | 429 | 13,030 | 12,938 | 92 |
| 1946..... | 209,206 | 144 | 19,675 | 189,388 | ...... | 1,093 | ...... | ..... | 1,093 | 12,892 | 12,809 | 83 |
| 1947..... | 193,406 | 130 | n.a. | n.a. | ...... | 497 | ...... | ..... | 497 | 13,674 | 13,633 | 41 |
| 1948..... | 185,219 | 127 | n.a. | n.a. | ...... | 827 | ...... | ..... | 827 | 15,410 | 15,373 | 37 |
| 1949..... | 185,154 | 125 | n.a. | n.a. | ...... | 876 | ...... | ..... | 876 | 17,398 | 17,349 | 49 |
| 1950..... | 190,322 | 123 | n.a. | n.a. | ...... | 746 | ...... | ..... | 746 | 19,906 | 19,832 | 74 |
| 1951..... | 179,532 | 120 | n.a. | n.a. | ...... | 1,316 | ...... | ..... | 1,316 | 22,428 | 22,340 | 88 |
| 1952..... | 179,309 | 112 | n.a. | n.a. | ...... | 1,216 | ...... | ..... | 1,216 | 24,614 | 24,529 | 86 |
| 1953..... | 179,708 | 100 | n.a. | n.a. | ...... | 1,122 | ...... | ..... | 1,122 | 27,354 | 27,309 | 45 |
| 1954..... | 180,273 | 83 | n.a. | n.a | ...... | 952 | ...... | ..... | 952 | 32,534 | 32,448 | 86 |

NOTE.--For data back to 1913, see 1946 annual report, p. 664, and 1949 annual report, p. 591

*Less than $500,000.

n.a. Not available.

[1] The "total amount outstanding" of securities of the several issuers differs from the gross indebtedness of these issuers as the former excludes noninterest-bearing debt. The "total privately held securities" differs from the net indebtedness of the borrowers in several additional respects. The former is derived by deducting from the total amount of interest-bearing securities outstanding the amount of such securities held by Federal agencies, Federal Reserve Banks, and by public sinking, trust, and investment funds. Net indebtedness, on the other hand, is derived by deducting from the gross indebtedness an amount equivalent to the total volume of sinking fund assets of the respective borrowers, but makes no allowance for any other public assets.

[2] In the case of data which include United States savings bonds, Series A-D, E, F, and J, the figures for these bonds represent current redemption values.

[3] On basis of daily Treasury statements. Excludes guaranteed securities held by the Treasury.

[4] Includes Federal land bank bonds only through June 30, 1946; on June 27, 1947, the United States proprietary interest in these banks ended. Excludes stocks and interagency loans.

[5] Securities the income from which is exempt from both the normal rates and surtax rates of the Federal income tax.

[6] Securities the income from which is exempt only from the normal rates of the Federal income tax. In the case of partially tax-exempt (1) Treasury bonds and (2) United States savings bonds, interest derived from $5,000 aggregate principal amount owned by any one holder is exempt from the surtax rates as well as the normal rates of the Federal income tax.

[7] Securities the income from which is subject to both the normal rates and the surtax rates of the Federal income tax.

[8] Special issues to Federal agencies and trust funds.

[9] Excludes obligations of the Philippine Islands after June 30, 1946, and Puerto Rico after June 30, 1952.

[10] Excludes Federal Reserve Banks. Includes individual Indian trust funds.

TABLE 49.--Summary of Treasury survey of ownership of interest-bearing public debt and guaranteed obligations, June 30, 1953 and 1954

[Par value. In millions of dollars]

| Classification | Held by investors covered by Treasury survey[1] | | | | | | | | | | Held by all other investors[4] | | Total amount outstanding | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Commercial banks [2] [3] | | Mutual savings banks[2] | | Insurance companies | | | | U. S. Government investment accounts and Federal Reserve Banks | | | | | |
| | | | | | Life | | Fire, casualty, and marine | | | | | | | |
| | June 30, 1953 | June 30, 1954 | June 30, 1953 | June 30, 1954 | June 30, 1953 | June 30, 1954 | June 30, 1953 | June 30, 1954 | June 30, 1953 | June 30, 1954 | June 30, 1953 | June 30, 1954 | June 30, 1953 | June 30, 1954 |
| Number of institutions | 7,052 | 6,971 | 526 | 526 | 314 | 314 | 604 | 598 | ...... | ...... | ....... | ....... | ....... | ....... |
| BY TYPE OF SECURITY | | | | | | | | | | | | | | |
| Public marketable: | | | | | | | | | | | | | | |
| Treasury bills | 4,411 | 4,187 | 120 | 98 | 327 | 520 | 132 | 101 | 1,561 | 2,362 | 13,155 | 12,248 | 19,707 | 19,515 |
| Certificates of indebtedness | 4,351 | 4,942 | 87 | 101 | 27 | 7 | 310 | 202 | 5,026 | 6,641 | 6,052 | 6,511 | 15,854 | 18,405 |
| Treasury notes | 10,355 | 11,423 | 62 | 221 | 5 | 99 | 529 | 592 | 13,797 | 13,093 | 5,678 | 6,531 | 30,425 | 31,960 |
| Treasury bonds--bank eligible | 31,660 | 35,249 | 4,711 | 5,879 | 2,628 | 4,025 | 2,811 | 3,344 | 5,024 | 5,416 | 17,146 | 17,792 | 63,980 | 71,706 |
| Treasury bonds--bank restricted[5] | 391 | 218 | 2,521 | 789 | 3,227 | 1,138 | 672 | 296 | 2,775 | 1,058 | 7,659 | 5,172 | 17,245 | 8,672 |
| Postal savings and Panama Canal bonds | 15 | 15 | (*) | ....... | (*) | ....... | 1 | 1 | 23 | 13 | 84 | 68 | 124 | 96 |
| Guaranteed obligations (Federal Housing Administration debentures)[6] | 27 | 31 | 6 | 20 | 9 | 11 | (*) | (*) | (*) | (*) | 8 | 18 | 51 | 80 |
| Total public marketable | 51,211 | 56,065 | 7,508 | 7,109 | 6,223 | 5,801 | 4,455 | 4,537 | 28,206 | 28,583 | 49,783 | 48,340 | 147,386 | 150,435 |
| Public nonmarketable: | | | | | | | | | | | | | | |
| United States savings bonds[7] | 1,377 | 1,373 | 569 | 566 | 311 | 296 | 535 | 520 | 21 | 20 | 55,073 | 55,287 | 57,886 | 58,061 |
| Treasury savings notes | 20 | 32 | (*) | (*) | (*) | (*) | 11 | 7 | 1 | 6 | 4,420 | 5,034 | 4,453 | 5,079 |
| Depositary bonds | [8] 447 | [8] 411 | (*) | (*) | ...... | ....... | ........ | ....... | ....... | ...... | ....... | ....... | [8] 447 | [8] 411 |
| Treasury bonds, investment series | 370 | 349 | 1,436 | 1,386 | 3,426 | 3,141 | 389 | 353 | 3,539 | 3,539 | 4,127 | 4,006 | 13,288 | 12,775 |
| Total public nonmarketable | 2,214 | 2,166 | 2,005 | 1,952 | 3,737 | 3,437 | 935 | 880 | 3,562 | 3,565 | 63,620 | 64,327 | 76,073 | 76,326 |
| Special issues | ...... | ....... | ...... | ....... | ...... | ....... | ........ | ....... | 40,538 | 42,229 | ....... | ....... | 40,538 | 42,229 |
| Grand total | 53,425 | 58,230 | 9,513 | 9,061 | 9,960 | 9,239 | 5,390 | 5,417 | 72,306 | 74,377 | 113,403 | 112,667 | 263,997 | 268,990 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BY CALL CLASSES | | | | | | | | | | | | | | |
| Public marketable, due or first becoming callable: | | | | | | | | | | | | | | |
| Within 1 year | 27,247 | 19,954 | 643 | 306 | 429 | 539 | 1,403 | 741 | 16,100 | 16,418 | 30,194 | 25,333 | 76,017 | 63,291 |
| 1 to 5 years | 17,782 | 20,472 | 360 | 1,041 | 118 | 406 | 817 | 1,551 | 6,595 | 7,142 | 4,491 | 7,796 | 30,162 | 38,407 |
| 5 to 10 years | 3,477 | 13,150 | 1,704 | 3,030 | 1,048 | 1,606 | 1,049 | 1,528 | 1,639 | 1,950 | 4,102 | 5,849 | 13,018 | 27,113 |
| 10 to 15 years | 2,569 | 2,382 | 4,683 | 2,599 | 4,500 | 3,120 | 1,148 | 688 | 3,718 | 2,930 | 9,927 | 8,218 | 26,546 | 19,937 |
| 15 to 20 years | ...... | ...... | ...... | ...... | ..... | ...... | ...... | ...... | ..... | ...... | ...... | ...... | ....... | ....... |
| Over 20 years | 108 | 76 | 111 | 112 | 120 | 121 | 39 | 29 | 155 | 144 | 1,059 | 1,125 | 1,592 | 1,606 |
| Various (Federal Housing Administration debentures) | 27 | 31 | 6 | 20 | 9 | 11 | (*) | (*) | (*) | (*) | 8 | 18 | 51 | 80 |
| Total public marketable | 51,211 | 56,065 | 7,508 | 7,109 | 6,223 | 5,801 | 4,455 | 4,537 | 28,206 | 28,583 | 49,783 | 48,340 | 147,386 | 150,435 |

*Less than $500,000.

1 Banks and insurance companies covered in the Treasury survey of ownership of securities issued or guaranteed by U. S. Government account for approximately 95 percent of the amount of such securities owned by all banks and insurance companies in the United States. Details as to each issue of security are available in the "Treasury Bulletin" (a) monthly for above investors and (b) quarterly through the September 1947 Bulletin and semiannually thereafter for commercial banks classified by membership in the Federal Reserve System.

2 Securities held in trust departments are excluded.

3 Includes trust companies and stock savings banks.

4 Includes banks and insurance companies which are not covered in the Treasury survey (see footnote 1).

5 Issues which commercial banks (banks accepting demand deposits) are not permitted to acquire prior to specified dates, with 3 exceptions: (1) Concurrently with Fourth, Fifth, and Sixth War Loans and Victory Loan, commercial banks were permitted to subscribe for limited investment of their savings deposits; (2) commercial banks may temporarily acquire such issues through forfeiture of collateral; and (3) commercial banks may hold a limited amount of such issues for trading purposes. Bank restricted issues as of June 30, 1954, and the earliest dates on which commercial banks may own them are as follows:

| Bank restricted issues of Treasury bonds | Earliest date on which commercial banks may own bonds |
|---|---|
| 2 1/2%, Mar. 15, 1966-71 | Dec. 1, 1954 |
| 2 1/2%, June 15, 1967-72 | June 15, 1962 |
| 2 1/2%, Dec. 15, 1967-72 | Dec. 15, 1962 |

6 Excludes guaranteed obligations held by the Treasury.

7 U. S. savings bonds other than Series G, H, and K are included at current redemption values. They were reported at maturity value by banks and insurance companies covered in the Treasury survey and have been adjusted to current redemption value for this table.

8 Includes depositary bonds held by commercial banks not included in survey: $128 million in 1953 and $112 million in 1954.

## GOLD, SILVER, AND GENERAL FUND ASSETS AND LIABILITIES

TABLE 50.--Assets and liabilities of the Treasury, June 30, 1953 and 1954

[On basis of daily Treasury statements, see "Bases of Tables"]

| | June 30, 1953 | June 30, 1954 | Increase, or decrease (-) |
|---|---|---|---|
| GOLD | | | |
| Assets: Gold | $22,462,596,644.72 | $21,926,743,671.57 | -$535,852,973.15 |
| Liabilities: | | | |
| Gold certificates[1] | 2,852,168,179.00 | 2,851,046,959.00 | -1,121,220.00 |
| Gold certificate fund - Board of Governors, Federal Reserve System | 17,680,547,219.97 | 17,561,547,208.70 | -119,000,011.27 |
| Redemption fund - Federal Reserve notes | 790,178,073.01 | 861,405,136.68 | 71,227,063.67 |
| Gold reserve[2] | 156,039,430.93 | 156,039,430.93 | ................. |
| Gold in general fund | 983,663,741.81 | 496,704,936.26 | -486,958,805.55 |
| Total | 22,462,596,644.72 | 21,926,743,671.57 | -535,852,973.15 |
| SILVER | | | |
| Assets: | | | |
| Silver bullion (monetary value)[3] | 2,126,273,078.67 | 2,157,561,967.50 | 31,288,888.83 |
| Silver dollars | 286,487,109.00 | 276,038,801.00 | -10,448,308.00 |
| Total | 2,412,760,187.67 | 2,433,600,768.50 | 20,840,580.83 |
| Liabilities: | | | |
| Silver certificates outstanding[1] | 2,377,378,702.00 | 2,393,916,871.00 | 16,538,169.00 |
| Treasury notes of 1890 outstanding[1] | 1,143,152.00 | 1,142,371.00 | -781.00 |
| Silver in general fund | 34,238,333.67 | 38,541,526.50 | 4,303,192.83 |
| Total | 2,412,760,187.67 | 2,433,600,768.50 | 20,840,580.83 |
| GENERAL FUND | | | |
| Assets: | | | |
| In Treasury offices: | | | |
| Gold (as above) | 983,663,741.81 | 496,704,936.26 | -486,958,805.55 |
| Silver: | | | |
| At monetary value (as above) | 34,238,333.67 | 38,541,526.50 | 4,303,192.83 |
| Subsidiary coin | 14,827,408.05 | 54,707,738.40 | 39,880,330.35 |
| Bullion: | | | |
| At recoinage value | ................. | 131,993.03 | 131,993.03 |
| At cost value[3] | 33,544,452.14 | 13,662,811.07 | -19,881,641.07 |
| Minor coin | 1,543,078.56 | 3,713,176.92 | 2,170,098.36 |
| United States notes | 4,450,039.00 | 2,218,519.00 | -2,231,520.00 |
| Federal Reserve notes | 71,513,755.00 | 76,620,110.00 | 5,106,355.00 |
| Federal Reserve Bank notes | 390,800.00 | 763,010.00 | 372,210.00 |
| National bank notes | 579,520.00 | 141,370.00 | -438,150.00 |
| Unclassified - collections, etc | 74,911,949.02 | 50,075,015.49 | -24,836,933.53 |
| Subtotal | 1,219,663,077.25 | 737,280,206.67 | -482,382,870.58 |
| Deposits in: | | | |
| Federal Reserve Banks: | | | |
| Available funds | 132,349,634.32 | 874,867,086.54 | 742,517,452.22 |
| In process of collection | 210,436,093.07 | 274,440,674.57 | 64,004,581.50 |
| Special depositaries, Treasury tax and loan accounts | 3,071,119,395.98 | 4,835,898,773.57 | 1,764,779,377.59 |
| National and other bank depositaries | 413,393,953.10 | 432,613,124.95 | 19,219,171.85 |
| Foreign depositaries | 49,264,772.48 | 87,611,420.83 | 38,346,648.35 |
| Subtotal | 3,876,563,848.95 | 6,505,431,080.46 | 2,628,867,231.51 |
| Total assets, general fund | 5,096,226,926.20 | 7,242,711,287.13 | 2,146,484,360.93 |

Footnotes at end of table.

TABLE 50.--Assets and liabilities of the Treasury, June 30, 1953 and 1954--Continued

| | June 30, 1953 | June 30, 1954 | Increase, or decrease (-) |
|---|---|---|---|
| GENERAL FUND--Continued | | | |
| Liabilities: | | | |
| Treasurer's checks outstanding | $23,778,938.77 | $32,085,984.38 | $8,307,045.61 |
| Deposits of Government officers: | | | |
| Post Office Department | 142,760,012.59 | 226,865,899.88 | 84,105,887.29 |
| Board of Trustees, Postal Savings System: | | | |
| 5 percent reserve, lawful money | 123,000,000.00 | 113,000,000.00 | -10,000,000.00 |
| Other deposits | 6,816,695.63 | 940,421.44 | -5,876,274.19 |
| Postmasters' disbursing accounts, etc | 123,946,287.84 | 84,613,455.25 | -39,332,832.59 |
| Uncollected items, exchanges, etc | 5,676,743.31 | 18,750,464.81 | 13,073,721.50 |
| Total liabilities, general fund | 425,978,678.14 | 476,256,225.76 | 50,277,547.62 |
| Balance in general fund | 4,670,248,248.06 | 6,766,455,061.37 | 2,096,206,813.31 |
| Total general fund liabilities and balance | 5,096,226,926.20 | 7,242,711,287.13 | 2,146,484,360.93 |

[1] Does not include amounts held in Treasury offices and by Federal Reserve Banks and agents in custody for the Treasurer of the United States. See table 89.

[2] Reserve against United States notes ($346,681,016 in 1953 and 1954) and Treasury notes of 1890 outstanding ($1,143,152 in 1953 and $1,142,371 in 1954). Treasury notes of 1890 are also secured by silver dollars in the Treasury.

[3] There were 350,924,917.2 ounces of these items held on June 30, 1953, and 247,886,446.5 ounces on June 30, 1954, by certain agencies of the Federal Government.

## TRUST FUNDS AND CERTAIN OTHER ACCOUNTS OF THE FEDERAL GOVERNMENT

TABLE 51.--Holdings of Federal securities by Government agencies and accounts, at par value, June 30, 1944-54

[In thousands of dollars]

| | June 30, 1944 | June 30, 1945 | June 30, 1946 | June 30, 1947 | June 30, 1948 | June 30, 1949 | June 30, 1950 | June 30, 1951 | June 30, 1952 | June 30, 1953 | June 30, 1954 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ACCOUNTS HANDLED PRIMARILY BY THE TREASURY[1] | | | | | | | | | | | |
| Federal Deposit Insurance Corporation | 686,526 | 835,087 | 975,787 | 1,122,308 | 1,016,790 | 1,133,790 | 1,275,790 | 1,338,350 | 1,422,300 | 1,510,700 | 1,612,750 |
| Federal employees' retirement funds: | | | | | | | | | | | |
| Alaska railroad retirement and disability fund | 1,755 | 1,911 | 2,360 | 2,680 | 3,070 | 3,447 | (2) | ........... | ........... | ........... | ........... |
| Canal Zone retirement and disability fund | 9,187 | 10,298 | 11,325 | 12,257 | 13,127 | 13,918 | (2) | ........... | ........... | ........... | ........... |
| Civil service retirement and disability fund | 1,450,913 | 1,848,270 | 2,155,034 | 2,435,238 | 2,794,611 | 3,243,427 | 3,801,278 | 4,374,518 | 4,998,402 | 5,586,418 | 5,839,646 |
| Foreign service retirement and disability fund | 7,012 | 7,836 | 8,678 | 9,638 | 12,087 | 14,497 | 16,850 | 16,867 | 16,592 | 16,130 | 15,229 |
| Federal old-age and survivors insurance trust fund | 5,408,834 | 6,545,934 | 7,548,734 | 8,742,334 | 9,930,137 | 11,224,137 | 12,639,137 | 14,317,437 | 16,268,037 | 17,814,387 | 19,337,092 |
| Federal Savings and Loan Insurance Corporation | 146,782 | 155,462 | 165,962 | 178,212 | 191,462 | 206,662 | [3] 191,312 | [3] 202,212 | 209,540 | 218,240 | 228,940 |
| Postal Savings System | 1,951,995 | 2,574,765 | 3,026,883 | 3,303,016 | 3,289,818 | 3,188,314 | 3,038,297 | 2,718,741 | 2,558,209 | 2,481,042 | 2,246,642 |
| Railroad retirement account | 318,500 | 500,500 | 657,000 | 805,500 | 1,374,500 | 1,720,000 | 2,057,600 | 2,414,490 | 2,863,144 | 3,142,803 | 3,345,255 |
| Unemployment trust fund | 5,870,000 | 7,307,000 | 7,409,000 | 7,852,000 | 8,297,000 | 8,137,000 | 7,413,000 | 8,063,000 | 8,644,000 | 9,236,000 | 8,988,000 |
| Veterans' life insurance funds: | | | | | | | | | | | |
| Government life insurance fund | 1,054,093 | 1,140,585 | 1,162,435 | 1,254,000 | 1,286,500 | 1,318,000 | 1,291,500 | 1,300,000 | 1,300,500 | 1,299,000 | 1,234,000 |
| National service life insurance fund | 1,213,425 | 3,187,125 | 5,239,685 | 6,473,685 | 6,934,685 | 7,287,685 | 5,342,144 | 5,435,644 | 5,190,644 | 5,249,479 | 5,272,479 |
| Special term insurance fund | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... | 425 | 3,025 |
| Other trust funds and accounts: | | | | | | | | | | | |
| Adjusted service certificate fund | 16,890 | 14,500 | 12,500 | 12,250 | 5,800 | 5,563 | 5,250 | 5,165 | 5,115 | 5,113 | 4,643 |
| Ainsworth Library fund, Walter Reed General Hospital | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Alien property trust fund | ........... | 3,746 | 4,166 | 5,168 | 5,576 | 6,247 | 4,656 | [4] 4,710 | 4,958 | 7,200 | 6,650 |
| Canal Zone Postal Savings System | 8,050 | 9,450 | 9,850 | 9,850 | 9,350 | 9,350 | 8,850 | 6,850 | 7,100 | 7,100 | 7,100 |
| Comptroller of the Currency employees' retirement fund | 3,700 | 4,525 | 4,725 | 4,805 | 5,055 | (2) | ........... | ........... | ........... | ........... | ........... |

Footnotes at end of table.

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| District of Columbia: | | | | | | | | | | | |
| Highway fund | ........ | ........ | 2,000 | 2,000 | 2,000 | ........ | ........ | ........ | ........ | 5,779 | 6,757 |
| Motor vehicle parking fund | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 527 | 870 |
| Public works and other general funds | ........ | 5,000 | 15,000 | 15,000 | 15,000 | 13,930 | 9,961 | 13,964 | 13,974 | 25,029 | 21,994 |
| Teachers' retirement and annuity fund | 10,480 | 11,237 | 11,429 | 11,629 | 13,556 | 14,991 | 16,904 | 18,444 | 20,310 | 21,810 | 23,510 |
| Water fund | 1,773 | 1,773 | 1,773 | 1,773 | 1,773 | 1,773 | 1,773 | 1,773 | 1,773 | 1,773 | 1,773 |
| Exchange stabilization fund | 20,452 | 20,452 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 25,000 |
| Farm tenant mortgage insurance trust fund | ........ | ........ | ........ | ........ | 1,000 | 1,000 | 1,000 | 1,000 | 1,250 | 1,250 | 1,250 |
| Federal Housing Administration: | | | | | | | | | | | |
| Housing insurance fund | 2,431 | 2,431 | 2,431 | 2,431 | 2,431 | 2,431 | 2,431 | 3,850 | 4,450 | 5,950 | 3,300 |
| Housing investment insurance fund | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 700 | 800 | 950 | 800 |
| Military housing insurance fund | ........ | ........ | ........ | ........ | ........ | ........ | 4,000 | 7,200 | 9,450 | 12,750 | 10,550 |
| Mutual mortgage insurance fund | 72,239 | 87,500 | 92,512 | 107,012 | 121,499 | 129,499 | 145,999 | 171,867 | 194,167 | 235,067 | 212,667 |
| National defense housing insurance fund | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 11,500 | 8,100 |
| Title I housing insurance fund | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 1,400 |
| War housing insurance fund | 400 | 6,400 | 8,000 | 11,000 | 12,000 | 33,500 | 61,000 | 80,600 | 75,900 | 77,300 | 20,600 |
| General post fund, Veterans' Administration | 1,390 | 1,334 | 1,334 | 1,433 | 1,434 | 1,945 | 2,142 | 2,316 | 2,666 | 2,666 | 2,866 |
| Hospital fund, U.S. Army, Office of the Surgeon General | 1,030 | 1,780 | 4,350 | 4,350 | 4,350 | 2,770 | 2,770 | 1,670 | 1,570 | 1,845 | 1,845 |
| Individual Indian trust funds | 47,031 | 47,802 | 41,875 | 46,060 | 43,663 | 41,293 | 39,189 | 38,843 | 35,425 | 34,076 | 31,831 |
| National park trust fund | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| Office of naval records and library fund | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 44 | 44 |
| Patients' benefit fund, Public Health Service hospitals | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | [5] 7 | 7 | 7 |
| Pershing Hall Memorial fund | 191 | 191 | 191 | 193 | 193 | 193 | 199 | 199 | 199 | 199 | 199 |
| Preservation Birthplace of Abraham Lincoln, National Park Service | ........ | 16 | 16 | 16 | 16 | 16 | 63 | 63 | 63 | 63 | 63 |
| Public Health Service Gift funds | 79 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 86 |
| Public Housing Administration (U.S. Housing Act) | 7,070 | 7,870 | 7,870 | 7,870 | 7,870 | ........ | ........ | ........ | ........ | ........ | ........ |
| Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act | 254 | 344 | 404 | 416 | 402 | 402 | 550 | 550 | 632 | 657 | 727 |

Footnotes at end of table.

TABLE 51.--Holdings of Federal securities by Government agencies and accounts, at par value, June 30, 1944-54--Continued

[In thousands of dollars]

| | June 30, 1944 | June 30, 1945 | June 30, 1946 | June 30, 1947 | June 30, 1948 | June 30, 1949 | June 30, 1950 | June 30, 1951 | June 30, 1952 | June 30, 1953 | June 30, 1954 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ACCOUNTS HANDLED PRIMARILY BY THE TREASURY[1] | | | | | | | | | | | |
| Other trust funds and accounts--Continued | | | | | | | | | | | |
| Relief and rehabilitation, Workmen's Compensation Act within the District of Columbia | 44 | 48 | 54 | 71 | 81 | 81 | 87 | 87 | 97 | 101 | 101 |
| Special trust account for payment of pre-1934 Philippine bonds | ... | ... | ... | ... | 11,140 | 14,026 | 16,521 | 19,082 | 15,138 | 7,471 | 6,467 |
| U.S. Army and Air Force Motion Picture Service | 2,018 | 1,922 | 2,172 | 3,242 | 4,542 | 2,065 | 2,065 | 1,000 | 1,000 | 500 | 500 |
| U.S. Naval Academy general gift fund | 85 | 85 | 85 | 85 | 85 | 85 | 85 | 85 | 85 | 85 | 85 |
| U.S. Naval Academy museum fund | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total handled primarily by Treasury | r 18,314,656 | r 24,343,293 | r 28,605,736 | r 32,457,637 | r 35,432,716 | r 37,792,150 | r 37,412,519 | r 40,581,392 | r 43,887,613 | r 47,041,552 | 48,524,873 |
| ACCOUNTS HANDLED PRIMARILY BY OTHER AGENCIES[6] | | | | | | | | | | | |
| Banks for cooperatives | 42,784 | 42,849 | 53,906 | 42,568 | 42,656 | 42,656 | 42,788 | 42,788 | 43,038 | 43,038 | 52,078 |
| Federal home loan banks | 131,534 | 158,406 | 120,844 | 155,464 | 162,118 | 357,790 | 285,136 | 243,728 | 310,398 | 378,198 | 670,254 |
| Federal intermediate credit banks | 36,000 | 36,511 | 43,151 | 43,151 | 43,151 | 44,654 | 45,254 | 45,754 | 48,329 | 51,252 | 49,933 |
| Federal land banks | 402,594 | 159,690 | 135,615 | (7) | ... | ... | ... | ... | ... | ... | ... |
| Federal National Mortgage Association | 634 | 569 | 565 | 5 | ... | ... | ... | 69 | 198 | 154 | 12 |
| Home Owners' Loan Corporation | 15,000 | 15,000 | 15,000 | 15,200 | 12,400 | 10,200 | 2,000 | ... | (8) | ... | ... |
| Inland Waterways Corporation | 6,400 | 6,650 | 4,132 | 2,288 | 50 | 50 | 50 | ... | ... | ... | ... |
| Joint stock land banks[9] | 36 | 51 | 15 | ... | ... | ... | ... | ... | ... | ... | ... |
| Panama Canal Company | 16,969 | 22,219 | 21,826 | 19,350 | 20 | 20 | 20 | 20 | 10 | 15 | 15 |
| Production credit corporations | 57,802 | 64,233 | 67,825 | 67,036 | 65,870 | 37,352 | 39,832 | 41,780 | 42,488 | 44,593 | 41,761 |
| Reconstruction Finance Corporation | 71,769 | 75,052 | 47,955 | 1,704 | 125 | ... | ... | 1,158 | 1,158 | ... | ... |
| Regional Agricultural Credit Corporation of Washington, D.C. | 236 | 326 | 350 | ... | ... | (8) | ... | ... | ... | ... | ... |

Footnotes at end of table.

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| RFC Mortgage Company, The..... | 956 | 5,467 | 8,017 | ([8]) | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| U.S. Spruce Production Corporation........................ | 115 | 115 | 115 | ([8]) | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Total handled primarily by other agencies....... | 782,830 | 587,138 | 519,316 | 346,765 | 326,389 | 492,722 | 415,079 | 375,296 | 445,618 | [10] 517,250 | [10] 814,053 |
| Total holdings of securities by Government agencies and accounts.. | r 19,097,487 | r 24,930,431 | r 29,125,051 | r 32,804,403 | r 35,759,106 | r 38,284,872 | r 37,827,598 | r 40,956,688 | r 44,333,231 | [10] r 47,558,802 | [10] 49,338,926 |

r Revised.

[1] For further details on certain of these accounts, see tables 52 through 71.

[2] Transferred to civil service retirement and disability fund.

[3] Includes a U. S. Government security of $1,000 thousand which was included in assets purchased from an insured institution to prevent default.

[4] Figures are as of Apr. 30, 1951.

[5] Information on amount of Federal securities held by this fund prior to June 30, 1952, is not available at this time.

[6] Some of the investment transactions clear through the accounts of the Treasurer of the United States.

[7] The proprietary interest of the United States in these banks ended June 26, 1947.

[8] The Corporation has been liquidated.

[9] Represents securities of the joint stock land banks held by the Federal Reserve Banks and branches.

[10] Excludes securities in the amounts of $42,880 thousand and $29,280 thousand held by the Atomic Energy Commission as of June 30, 1953, and June 30, 1954, respectively, which in turn are held by trustees for the protection of certain contractors against financial loss in event of a catastrophe.

TABLE 52.--Adjusted service certificate fund, June 30, 1954

[This trust fund was established in accordance with the provisions of the act of May 19, 1924 (43 Stat. 128). For further details see annual report of the Secretary for 1941, p. 135]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| Appropriations | $3,639,157,956.40 | --------------- | $3,639,157,956.40 |
| Interest on loans and investments | 137,502,823.93 | $201,353.04 | 137,704,176.97 |
| Total receipts | 3,776,660,780.33 | 201,353.04 | 3,776,862,133.37 |
| Expenditures: | | | |
| Payments under Adjusted Compensation Payment Act, 1936, enacted Jan. 27, 1936: | | | |
| Adjusted service bonds | 1,850,299,900.00 | 27,000.00 | 1,850,326,900.00 |
| Adjusted service bonds (Government life insurance fund series) | 500,157,956.40 | --------------- | 500,157,956.40 |
| Checks for amounts less than $50 | 83,882,398.42 | 1,251.00 | 83,883,649.42 |
| Checks paid by Treasurer of the United States other than in final settlement of certificates under the Adjusted Compensation Payment Act, 1936, less credits on account of repayments of loans | r 1,337,165,334.99 | 665,355.95 | 1,337,830,690.94 |
| Total expenditures | r 3,771,505,589.81 | 693,606.95 | 3,772,199,196.76 |
| Balance | r 5,155,190.52 | -492,253.91 | 4,662,936.61 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| 4% special Treasury certificates of indebtedness, adjusted service certificate fund series: | | | |
| Maturing Jan. 1, 1954 | $5,113,000.00 | -$5,113,000.00 | ----------------- |
| Maturing Jan. 1, 1955 | .................. | 4,643,000.00 | $4,643,000.00 |
| Total investments | 5,113,000.00 | -470,000.00 | r 4,643,000.00 |
| Undisbursed balance | r 42,190.52 | -22,253.91 | 19,936.61 |
| Total assets | r 5,155,190.52 | -492,253.91 | 4,662,936.61 |

r Revised.

TABLE 53.--Ainsworth Library fund, Walter Reed General Hospital, June 30, 1954

[Thia trust fund was established in accordance with the provisions of the joint resolution of Congreas approved May 23, 1935 (49 Stat. 287). For further details see annual report of the Secretary for 1941, p. 154]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| Bequest of Maj. Gen. Fred C. Ainsworth | $10,700.00 | ................ | $10,700.00 |
| Earnings on investments | 4,584.40 | $278.87 | 4,863.27 |
| Total receipts | 15,284.40 | 278.87 | 15,563.27 |
| Expenditures | 4,937.49 | ................ | 4,937.49 |
| Balance | 10,346.91 | 278.87 | 10,625.78 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments--2 7/8 percent Treasury bonds of 1955-60 (par value $9,700) | $9,972.81 | ................ | $9,972.81 |
| Undisbursed balance | 374.10 | $278.87 | 652.97 |
| Total | 10,346.91 | 278.87 | 10,625.78 |

TABLE 54.--Civil service retirement and disability fund, June 30, 1954

[This trust fund was established in accordance with the provisions of the act of May 22, 1920 (41 Stat. 614). For further details see annual report of the Secretary for 1941, p. 136]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| On account of deductions from basic compensation and service credit payments of employees subject to retirement act[1] | r $4,145,455,606.93 | [2] $430,351,330.85 | $4,575,806,937.78 |
| On account of voluntary contributions | r 22,758,784.51 | 2,615,150.00 | 25,373,934.51 |
| Appropriations | r 3,317,358,290.00 | 31,397,000.00 | 3,348,755,290.00 |
| Interest and profits on investments | 1,491,337,768.24 | 225,654,018.14 | 1,716,991,786.38 |
| Transferred from the Comptroller of the Currency retirement fund, act of June 28, 1948: | | | |
| Cash and securities | [3] r 5,050,000.00 | .................. | 5,050,000.00 |
| Total receipts | 8,981,960,449.68 | 690,017,498.99 | 9,671,977,948.67 |
| Expenditures: | | | |
| Annuity payments and refunds | r 3,346,195,693.34 | 409,124,673.81 | r 3,755,320,367.15 |
| Transfers to policemen's and firemen's relief fund, D. C.: | | | |
| On account of deductions | 55,852.61 | .................. | 55,852.61 |
| Accrued interest on deductions | 26,628.76 | .................. | 26,628.76 |
| Total expenditures | r 3,346,278,174.71 | 409,124,673.81 | 3,755,402,848.52 |
| Balance | r 5,635,682,274.97 | 280,892,825.18 | 5,916,575,100.15 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| 4% special Treasury certificates of indebtedness, civil service retirement fund series, maturing June 30: | | | |
| 1954 | $845,440,000.00 | -$845,440,000.00 | .................. |
| 1955 | .................. | 2,264,179,000.00 | $2,264,179,000.00 |
| 3% special Treasury certificates of indebtedness, civil service retirement fund series, maturing June 30: | | | |
| 1954 | 1,048,000.00 | -1,048,000.00 | .................. |
| 1955 | .................. | 4,117,000.00 | 4,117,000.00 |
| 4% special Treasury notes, civil service retirement fund series, maturing June 30: | | | |
| 1954 | 1,166,208,000.00 | -1,166,208,000.00 | .................. |
| 1955 | 1,107,076,000.00 | .................. | 1,107,076,000.00 |
| 1956 | 1,101,839,000.00 | .................. | 1,101,839,000.00 |
| 1957 | 1,351,859,000.00 | .................. | 1,351,859,000.00 |
| 3% special Treasury notes, civil service retirement fund series, maturing June 30: | | | |
| 1954 | 2,372,000.00 | -2,372,000.00 | .................. |
| 1955 | 3,006,000.00 | .................. | 3,006,000.00 |
| 1956 | 3,408,000.00 | .................. | 3,408,000.00 |
| 1957 | 3,462,000.00 | .................. | 3,462,000.00 |
| Total Treasury notes and certificates of indebtedness | 5,585,718,000.00 | 253,228,000.00 | 5,838,946,000.00 |
| United States savings bonds, 2-1/2% Series G-1942 to 1948 | [4] 700,000.00 | .................. | 700,000.00 |
| Total investments | 5,586,418,000.00 | 253,228,000.00 | 5,839,646,000.00 |
| Undisbursed balance | r 49,264,274.97 | 19,208,945.71 | 68,473,220.68 |
| Unappropriated receipts | .................. | 8,455,879.47 | 8,455,879.47 |
| Total assets | r 5,635,682,274.97 | 280,892,825.18 | 5,916,575,100.15 |

NOTE.—Figures are on basis of daily Treasury statements through June 30, 1953, and the "Monthly Statement of Receipts and Expenditures of the United States Government," beginning with the fiscal year 1954.

r Revised.

[1] Represents 2 1/2% from August 1, 1920, to June 30, 1926; 3 1/2% from July 1, 1926, through June 30, 1942; 5% from July 1, 1942, through June 30, 1948; and 6% thereafter. Revised to include District of Columbia and Government corporations contributions.

[2] Includes June 1954 receipts amounting to $8,455,879.47 not appropriated until fiscal year 1955.

[3] Represents cash derived from sale of securities in the amount of $4,350,000.00 and $700,000.00 par amount of securities still held. This transaction was a transfer from the Comptroller of the Currency.

[4] Transferred from the Comptroller of the Currency.

TABLE 55.--District of Columbia teachers' retirement and annuity fund--Assets held by the Treasury Department, June 30, 1954

[This fund was established in accordance with the provisions of the act of Aug. 7, 1946 (60 Stat. 875), as successor to the District of Columbia teachers' retirement fund established under the act of Jan. 15, 1920, as amended, effecting the consolidation of the deductions fund and the Government reserve fund as of July 1, 1945]

| Assets | June 30, 1953[1] (principal cost) | Increase, or decrease(-), fiscal year 1954 | June 30, 1954 | |
|---|---|---|---|---|
| | | | Par value | Principal cost |
| Investments: | | | | |
| Treasury bonds: | | | | |
| 2 1/2% of 1956-58 | $49,100.31 | ............ | $47,000.00 | $49,100.31 |
| 2 1/2% of June 15, 1964-69 (dated April 15, 1943) | 879,721.25 | ............ | 878,000.00 | 879,721.25 |
| 2 1/2% of Dec. 15, 1964-69 (dated Sept. 15, 1943) | 1,303,500.00 | ............ | 1,303,500.00 | 1,303,500.00 |
| 2 1/2% of 1965-70 | 257,000.00 | ............ | 257,000.00 | 257,000.00 |
| 2 1/2% of 1966-71 | 1,499,493.04 | ............ | 1,517,000.00 | 1,499,493.04 |
| 3 1/4% of 1978-83 | 77,500.00 | $1,700,000.00 | 1,777,500.00 | 1,777,500.00 |
| 2 1/2% Investment Series A-1965 | 250,000.00 | ............ | 250,000.00 | 250,000.00 |
| 2 3/4% Investment Series B-1975-80 | 14,320,194.00 | ............ | 14,325,000.00 | 14,320,194.00 |
| U. S. savings bonds, series G, 2 1/2% | 3,155,000.00 | ............ | 3,155,000.00 | 3,155,000.00 |
| Total investments | 21,791,508.60 | 1,700,000.00 | 23,510,000.00 | 23,491,508.60 |
| Accrued interest receivable | 140,921.89 | 2,300.37 | ............ | 143,222.26 |
| Unexpended balance | 89,957.72 | 161,437.57 | ............ | 251,395.29 |
| Total assets | 22,022,388.21 | 1,863,737.94 | ............ | 23,886,126.15 |
| Assets according to accounts: | | | | |
| Deduction account | 21,906,425.88 | 1,841,511.93 | ............ | 23,747,937.81 |
| Voluntary contributions account | 115,962,33 | 22,226.01 | ............ | 138,188.34 |
| Total assets (including accrued interest) | 22,022,388.21 | 1,863,737.94 | ............ | 23,886,126.15 |

[1] Includes deductions fund and Government reserve fund reported on page 567 and 568 of 1946 annual report.

TABLE 56.--District of Columbia water fund-Investments held by the Treasury Department, June 30, 1954

[These investments were made in accordance with the provisions of the act of June 29, 1937 (50 Stat. 392) and in subsequent appropriation acts for the District of Columbia. For further details see annual report of the Secretary for 1941, p. 142]

| Investments | June 30, 1953, (principal cost) | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 | |
|---|---|---|---|---|
| | | | Par value | Principal cost |
| Treasury bonds: | | | | |
| 2 3/8% of 1957-59 | $100,000.00 | ............ | $100,000.00 | $100,000.00 |
| 2 3/4% of 1958-63 | 749,110.01 | ............ | 736,000.00 | 749,110.01 |
| 2 3/4% of 1960-65 | 987,511.56 | ............ | 937,000.00 | 987,511.56 |
| Total investments | 1,836,621.57 | ............ | 1,773,000.00 | 1,836,621.57 |

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TABLE 57.--Relief and rehabilitation, Workmen's Compensation Act, within the District of Columbia--Assets held by the Treasury Department, June 30, 1954

[This trust fund was established in accordance with the provisions of the act of May 17, 1928 (45 stat. 600). For further details see annual report of the Secretary for 1941, p. 141]

| Assets | June 30, 1953 (principal cost) | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 | |
|---|---|---|---|---|
| | | | Par value | Principal cost |
| Investments: | | | | |
| Treasury bonds: | | | | |
| 2 7/8% of 1955-60 | $10,165.63 | ............ | $10,000.00 | $10,165.63 |
| 2 1/2% of 1962-67 | 5,000.00 | ............ | 5,000.00 | 5,000.00 |
| 2 1/2% of 1966-71 | 9,709.38 | ............ | 10,000.00 | 9,709.38 |
| 3 1/4% of 1978-83 | 4,000.00 | ............ | 4,000.00 | 4,000.00 |
| 2 3/4% Investment Series B-1975-80 | 6,000.00 | ............ | 6,000.00 | 6,000.00 |
| U. S. savings bonds, Series G, 2 1/2% | 65,600.00 | ............ | 65,600.00 | 65,600.00 |
| Total investments | 100,475.01 | ............ | 100,600.00 | 100,475.01 |
| Undisbursed balance | 6,547.33 | $4,806.42 | ............ | 11,353.75 |
| Total assets | 107,022.34 | 4,806.42 | ............ | 111,828.76 |

[1] Formerly known as District of Columbia workmen's compensation fund.

TABLE 58.--Federal old-age and survivors insurance trust fund, June 30, 1954

[On basis of daily Treasury statements through 1952, thereafter on basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables." This trust fund, the successor to the old-age reserve account was established in accordance with the provisions of the Social Security Act Amendments of 1939 as amended by the Social Security Act Amendments of 1950 (64 Stat. 521). For further details see annual report of the Secretary for 1940, p. 212, and 1950, p. 42]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Adjustments to monthly statement | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|---|
| Receipts: | | | | |
| Appropriations[1] | $25,906,239,244.02 | [2] -$748.85 | $4,537,269,800.32 | $30,443,508,295.49 |
| Deposits by States[3] | 69,867,131.06 | [4] 767,441.84 | 92,411,873.89 | 163,046,446.79 |
| Interest and profits on investments | 2,524,824,640.00 | ........ | 438,908,882.68 | 2,963,733,522.68 |
| Transfers from general fund | 15,386,400.00 | ........ | ........ | 15,386,400.00 |
| Transfers from railroad retirement account. Sec. 5 (k)(2)(b) of Railroad Retirement Act of 1937 as amended | ........ | ........ | 11,595,000.00 | 11,595,000.00 |
| Other[5] | 64,503.55 | [4] 36.00 | 67,701.04 | 132,240.59 |
| Total receipts | 28,516,381,918.63 | 766,728.99 | 5,080,253,257.93 | 33,597,401,905.55 |
| Expenditures: | | | | |
| Benefit payments | 9,483,514,009.26 | [6] -219,234.30 | 3,275,556,451.89 | 12,758,851,226.85 |
| Reimbursements to general fund: | | | | |
| Under Sec. 201 (f)(1) of the Social Security Act, as amended, administrative expenses | 311,122,888.02 | ........ | 24,930,286.78 | 336,053,174.80 |
| Under Sec. 201 (f)(2) of the Social Security Act, as amended, refund of taxes | 33,000,000.00 | ........ | 40,500,000.00 | 73,500,000.00 |
| Other, Department of Health, Education, and Welfare | 4,372,325.00 | ........ | 1,034,500.00 | 5,406,825.00 |
| Payments for Bureau of Old-Age and Survivors Insurance (Construction of building, Public Law 170, 67 Stat. 254.) | ........ | ........ | 7,537.25 | 7,537.25 |
| Administrative expenses; salaries and expenses, Bureau of Old-Age and Survivors Insurance | [7] 318,016,262.66 | [8] 219,912,73 | 62,731,623.88 | 380,967,799.27 |
| Total expenditures | 10,150,025,484.94 | 678.43 | 3,404,760,399.80 | 13,554,786,563.17 |
| Balance | 18,366,356,433.69 | 766,050.56 | 1,675,492,858.13 | 20,042,615,342.38 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Adjustments to monthly statement | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|---|
| Investments: | | | | |
| Special Treasury certificates of indebtedness, 2 1/4% maturing June 30: | | | | |
| 1954 | $15,531,700,000.00 | ........ | $15,531,700,000.00 | ........ |
| 1955 | ........ | ........ | 17,054,405,000.00 | $17,054,405,000.00 |
| Total special certificates of indebtedness | 15,531,700,000.00 | ........ | 1,522,705,000.00 | 17,054,405,000.00 |
| Treasury bonds: | | | | |
| 2 1/4% of June 15, 1959-62 (dated June 1, 1945) | 938,000.00 | ........ | ........ | 938,000.00 |
| 2 1/4% of Dec. 15, 1959-62 (dated Nov. 15, 1945) | 3,267,000.00 | ........ | ........ | 3,267,000.00 |
| 2 1/2% of 1962-67 | 58,650,000.00 | ........ | ........ | 58,650,000.00 |
| 2 1/2% of 1963-68 | 116,480,000.00 | ........ | ........ | 116,480,000.00 |
| 2 1/2% of June 15, 1964-69 (dated Apr. 15, 1943) | 18,452,000.00 | ........ | ........ | 18,452,000.00 |
| 2 1/2% of Dec. 15, 1964-69 (dated Sept. 15, 1943) | 75,252,000.00 | ........ | ........ | 75,252,000.00 |
| 2 1/2% of 1965-70 | 456,547,500.00 | ........ | ........ | 456,547,500.00 |
| 2 1/2% of 1966-71 | 308,077,500.00 | ........ | ........ | 308,077,500.00 |
| 2 1/2% of June 15, 1967-72 (dated June 1, 1945) | 100,000.00 | ........ | ........ | 100,000.00 |
| 2 1/2% of Sept. 15, 1967-72 (dated Oct. 20, 1941) | 117,621,250.00 | ........ | ........ | 117,621,250.00 |
| 2 1/2% of Dec. 15, 1967-72 (dated Nov. 15, 1945) | 300,000.00 | ........ | ........ | 300,000.00 |

TABLE 58. --Federal old-age and survivors insurance trust fund, June 30, 1954--Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Adjustments to monthly statement | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|---|
| Treasury bonds--Continued | | | | |
| 2 3/4%, Investment Series B-1975-80 | $1,081,902,000.00 | ... | ... | $1,081,902,000.00 |
| 3 1/4% of 1978-83 | 45,100,000.00 | ... | ... | 45,100,000.00 |
| Total Treasury bonds | [9] 2,282,687,250.00 | ... | ... | [9] 2,282,687,250.00 |
| Accrued interest purchased | 86,826.06 | ... | -$86,826.06 | ... |
| Unamortized premium[10] | 3,119,277.65 | ... | -347,772.86 | 2,771,504.79 |
| Total investments | 17,817,593,353.71 | ... | 1,522,270,401.08 | 19,339,863,754.79 |
| Unexpended balances: | | | | |
| To credit of disbursing officers: | | | | |
| Federal old-age and survivors insurance trust fund: benefit payments | 283,690,636.63 | ... | 85,465,819.23 | 369,156,455.86 |
| On books of the Division of Central Accounts: | | | | |
| Unrequisitioned balance (Federal old-age and survivors insurance trust fund) | 261,884,393.52 | ... | 67,391,763.95 | 329,276,157.47 |
| Unappropriated receipts (Federal old-age and survivors insurance trust fund) | 748.85 | [2] -$748.85 | [11] 26,685.04 | 26,685.04 |
| On books of the Treasurer, U. S.[12] | -219,234.30 | [13] 219,234.30 | ... | ... |
| To credit of disbursing officer: | | | | |
| Bureau of Old-Age and Survivors Insurance: | | | | |
| Salaries and expenses | 3,406,535.28 | -219,912.73 | 613,203.92 | 3,799,826.47 |
| Construction of building | ... | ... | 492,462.75 | 492,462.75 |
| Total assets | 18,366,356,433.69 | -1,427.28 | 1,676,260,335.97 | 20,042,615,342.38 |

[1] Appropriation to the Federal old-age and survivors insurance trust fund equivalent to the amount of taxes collected and deposited for old-age insurance (42 U.S.C. 401 (a); see also footnote 3). The Social Security Act Amendments of 1950 (Public Law 734), approved August 28, 1950, changed in certain respects the basis of transferring the appropriated funds to the trust fund. Effective January 1, 1951, the amounts transferred currently as appropriations to the trust fund are based on estimates of old-age insurance tax receipts made by the Secretary of the Treasury pursuant to the provisions of Sec. 109 (a) (2) of the Amendments of 1950, and are adjusted in later transfers on the basis of wage and self-employment income records maintained in the Social Security Administration.

[2] Adjustment for transfer from daily Treasury statement basis to monthly statement basis.

[3] Amounts deposited in accordance with Title II of the Social Security Act, Sec. 218 (e) as added by Sec. 106 of Public Law 734, approved Aug. 28, 1950.

[4] Receipts applicable to fiscal year 1953 appropriated in fiscal year 1954.

[5] Represents reimbursement for services and proceeds from sale of material and products.

[6] Adjustment from checks paid to checks issued basis.

[7] Beginning July 1, 1946, paid directly from the trust fund under Labor-Federal Security Appropriation Act 1947 (60 Stat. 679).

[8] See footnote 6.

[9] Effective Dec. 30, 1949, public issues held by the fund are shown at face value. Total unamortized premium is shown separately below.

[10] Beginning May 1, 1953, represents net of premium and discount.

[11] Represents deposits by States in the amount of $26,595.96 and deposits "Other" in the amount of $89.08.

[12] Represents outstanding checks.

[13] This adjustment required to close outstanding check account. The amount is now reflected in benefit payments. See footnote 6.

TABLE 59.--Foreign service retirement and disability fund, June 30, 1954

[This trust fund was established in accordance with the provisions of Sec. 18 of the act of May 24, 1924 (43 Stat. 144). For further details see annual report of the Secretary for 1941, p. 138]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| On account of deductions from basic compensation and service credit payments of employees subject to retirement act......... | $9,202,724.43 | [1] $701,483.82 | $9,904,208.25 |
| Appropriations.......................... | 14,683,900.00 | ................ | 14,683,900.00 |
| Interest and profits on investments........ | 6,755,896.91 | 614,839.11 | 7,370,736.02 |
| Total receipts.......................... | 30,642,521.34 | 1,316,322.93 | 31,958,844.27 |
| Expenditures: | | | |
| Annuity payments and refunds............... | 14,411,798.84 | 2,204,995.38 | 16,616,794.22 |
| Balance.................................. | 16,230,722.50 | -888,672.45 | 15,342,050.05 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| 4% special Treasury certificates of indebtedness, foreign service retirement fund series, maturing June 30: | | | |
| 1954.................................. | $2,753,000.00 | -$2,753,000.00 | .................. |
| 1955.................................. | .................. | 6,052,000.00 | $6,052,000.00 |
| 3% special Treasury certificates of indebtedness, foreign service retirement fund series, maturing June 30: | | | |
| 1954.................................. | 102,000.00 | -102,000.00 | .................. |
| 1955.................................. | .................. | 246,000.00 | 246,000.00 |
| 4% special Treasury notes, foreign service retirement fund series, maturing June 30: | | | |
| 1954.................................. | 4,260,000.00 | -4,260,000.00 | .................. |
| 1955.................................. | 2,739,000.00 | ................ | 2,739,000.00 |
| 1956.................................. | 2,436,000.00 | ................ | 2,436,000.00 |
| 1957.................................. | 3,377,800.00 | ................ | 3,377,800.00 |
| 3% special Treasury notes, foreign service retirement fund series, maturing June 30: | | | |
| 1954.................................. | 83,500.00 | -83,500.00 | .................. |
| 1955.................................. | 125,000.00 | ................ | 125,000.00 |
| 1956.................................. | 101,000.00 | ................ | 101,000.00 |
| 1957.................................. | 152,600.00 | ................ | 152,600.00 |
| Total investments..................... | 16,129,900.00 | -900,500.00 | 15,229,400.00 |
| Undisbursed balance........................ | 100,822.50 | -25,065.87 | 75,756.63 |
| Unappropriated receipts.................... | .................. | 36,893.42 | 36,893.42 |
| Total assets............................ | 16,230,722.50 | -888,672.45 | 15,342,050.05 |

NOTE.--Figures are on basis of daily Treasury statements through June 30, 1953, and the "Monthly Statement of Receipts and Expenditures of the United States Government," beginning with the fiscal year 1954.

[1] Includes $36,893.42 receipts applicable to fiscal year 1954 not appropriated until fiscal year 1955.

TABLE 60. --Library of Congress trust fund, June 30, 1954

[This trust fund was established in accordance with the provisions of the act of Mar. 3, 1925 (43 Stat.1107). For further details see annual report of the Secretary for 1941, p. 149]

1. ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS, SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD[1]

| Assets | June 30, 1953 | Increase, fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Securities: | | | |
| R. R. Bowker donation | | | |
| 7% German external loan bonds, German Government | $2,000.00 | ------------- | $2,000.00 |
| 6 1/2% sinking fund gold bonds, Japanese Government | 2,000.00 | ------------- | 2,000.00 |
| 48 shares, common stock, American Telephone & Telegraph Co | 4,800.00 | ------------- | 4,800.00 |
| Elizabeth Sprague Coolidge donation | | | |
| 496 shares, common stock, Commonwealth Edison Co | 12,400.00 | ------------- | 12,400.00 |
| Joseph Pennell donation | | | |
| 4% general consolidated mortgage bonds Series A, Lehigh Valley R. R. Co | 1,250.00 | ------------- | 1,250.00 |
| 4% general consolidated mortgage bonds Series D, Lehigh Valley R. R. Co | 3,750.00 | ------------- | 3,750.00 |
| 20 shares capital stock, Lehigh Valley R. R. Co | 200.00 | ------------- | 200.00 |
| 4 1/2% prior lien gold bonds, National Railways of Mexico | 3,000.00 | ------------- | 3,000.00 |
| 5% consolidated mortgage bonds, Pennsylvania and New York Canal and R. R. Co | 1,000.00 | ------------- | 1,000.00 |
| 5% sinking fund gold bonds, Philadelphia and Reading Coal and Iron Co | 735.00 | ------------- | 735.00 |
| 54 shares, common stock, Pittsburgh Consolidation Coal Co | 54.00 | ------------- | 54.00 |
| 134 shares, common stock, Pennsylvania R. R. Co | 6,700.00 | ------------- | 6,700.00 |
| 112 shares, common stock, Westmoreland Coal Co | 2,240.00 | ------------- | 2,240.00 |
| 105 shares, common stock, Westmoreland, Inc | 1,050.00 | ------------- | 1,050.00 |
| Temporary certificate for 20 shares common stock, Philadelphia & Reading Coal & Iron Co. (New Co) | 20.00 | ------------- | 20.00 |
| Total securities[1] | 41,199.00 | ------------- | 41,199.00 |
| Unexpended balances on books of the Treasury: | | | |
| Permanent loan fund: | | | |
| Babine | 6,684.74 | ------------- | 6,684.74 |
| Beethoven | 12,088.13 | ------------- | 12,088.13 |
| Benjamin | 83,083.31 | ------------- | 83,083.31 |
| Bowker | 1,603.16 | 120.96 | 1,724.12 |
| Carnegie | 93,307.98 | ------------- | 93,307.98 |
| Coolidge | 150,704.01 | ------------- | 150,704.01 |
| Louis C. Elson memorial fund | 12,585.03 | ------------- | 12,585.03 |
| Friends of Music in the Library of Congress | 5,509.09 | ------------- | 5,509.09 |
| Guggenheim | 90,654.22 | ------------- | 90,654.22 |
| Huntington | 162,052.26 | ------------- | 162,052.26 |
| Koussevitzky Music Foundation, Inc | 118,491.40 | 8,241.42 | 126,732.82 |
| Longworth | 9,691.59 | ------------- | 9,691.59 |
| Miller | 20,548.18 | ------------- | 20,548.18 |
| National Library for the Blind | 36,015.00 | ------------- | 36,015.00 |
| Pennell | 289,470.69 | ------------- | 289,470.69 |
| Porter | 290,500.00 | ------------- | 290,500.00 |
| Roberts Fund | 62,703.75 | ------------- | 62,703.75 |
| Whittall | 653,953.94 | 19,059.89 | 673,013.83 |
| Whittall, No. 2 Poetry Fund | 101,149.73 | ------------- | 101,149.73 |
| Whittall, No. 3, General Literature | 50,000.00 | ------------- | 50,000.00 |
| Wilbur | 305,813.57 | ------------- | 305,813.57 |
| Total permanent loan fund | 2,556,609.78 | 27,422.27 | 2,584,032.05 |
| Total assets | 2,597,808.78 | 27,422.27 | 2,625,231.05 |

[1] Does not include securities held as investments for Huntington donation under deed of trust dated Nov. 17, 1936, administered by designated trustees, including Bank of New York.

TABLE 60. --Library of Congress trust fund, June 30, 1954--Continued

II. LIBRARY OF CONGRESS TRUST FUND EARNINGS TO JUNE 30, 1954

| Donation | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| | Income account, securities, real estate, etc. | | |
| Babine | $1,785.58 | ........ | $1,785.58 |
| Beethoven | 4,429.73 | ........ | 4,429.73 |
| Benjamin | 49,744.50 | ........ | 49,744.50 |
| Bowker | 6,952.86 | $692.00 | 7,644.86 |
| Carnegie | 37,838.36 | ........ | 37,838.36 |
| Coolidge | 117,992.63 | 892.80 | 118,885.43 |
| Friends of Music in the Library of Congress | 318.22 | ........ | 318.22 |
| Guggenheim | 32,759.36 | ........ | 32,759.36 |
| Huntington | [2] 224,071.83 | 11,231.10 | [2] 235,302.93 |
| Longworth | 757.02 | ........ | 757.02 |
| Miller | 412.50 | ........ | 412.50 |
| Pennell | 84,435.28 | 771.22 | 85,206.50 |
| Porter | 25,369.03 | ........ | 25,369.03 |
| Wilbur | 107,345.09 | ........ | 107,345.09 |
| Total | 694,211.99 | 13,587.12 | 707,799.11 |
| | Income account, permanent loan fund | | |
| Babine | $4,272.85 | $267.39 | $4,540.24 |
| Beethoven | 7,202.46 | 483.52 | 7,685.98 |
| Benjamin | 19,725.17 | 3,323.34 | 23,048.51 |
| Bowker | 632.23 | 66.93 | 699.16 |
| Carnegie | 57,113.30 | 3,732.32 | 60,845.62 |
| Coolidge | 78,479.85 | 6,028.16 | 84,508.01 |
| Louis C. Elson memorial fund | 4,099.51 | 503.40 | 4,602.91 |
| Friends of Music in the Library of Congress | 2,144.53 | 220.36 | 2,364.89 |
| Guggenheim | 54,034.34 | 3,626.16 | 57,660.50 |
| Huntington | 87,266.14 | 6,482.10 | 93,748.24 |
| Koussevitsky Music Foundation, Inc | 15,364.07 | 4,889.87 | 20,253.94 |
| Longworth | 5,175.04 | 387.66 | 5,562.70 |
| Miller | 6,968.09 | 821.92 | 7,790.01 |
| National Library for the Blind | 974.67 | 1,440.60 | 2,415.27 |
| Pennell | 147,470.17 | 11,578.82 | 159,048.99 |
| Porter | 80,228.04 | 11,620.00 | 91,848.04 |
| Roberts Fund | 5,458.69 | 2,508.16 | 7,966.85 |
| Whittall | 260,924.17 | 26,848.05 | 287,772.22 |
| Whittall No. 2, Poetry Fund | 10,147.93 | 4,045.98 | 14,193.91 |
| Whittall No. 3, General Literature | 2,208.79 | 2,000.00 | 4,208.79 |
| Wilbur | 190,969.60 | 12,232.56 | 203,202.16 |
| Total | 1,040,859.64 | 103,107.30 | 1,143,966.94 |
| Grand total | 1,735,071.63 | 116,694.42 | 1,851,766.05 |

[2] Includes income under deed of trust dated Nov. 17, 1936; administered by designated trustees, including Bank of New York.

TABLE 61.--Relief and rehabilitation, Longshoremen's and Harbor-Workers' Compensation Act, as amended--Assets held by the Treasury Department, June 30, 1954[1]

[This trust fund was established in accordance with the provisions of the act of Mar. 4, 1927 (44 Stat. 1444.) For further details see annual report of the Secretary for 1941, p. 141]

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 | |
|---|---|---|---|---|
| | *Principal cost* | | *Par value* | *Principal cost* |
| Investments: | | | | |
| Treasury bonds: | | | | |
| 2 7/8% of 1955-60 | $14,920.25 | ............ | $14,800.00 | $14,920.25 |
| 2 3/4% of 1956-59 | 14,976.20 | ............ | 14,850.00 | 14,976.20 |
| 2 3/4% of 1958-63 | 15,936.38 | ............ | 15,600.00 | 15,936.38 |
| 2 3/4% of 1960-65 | 14,985.94 | ............ | 13,900.00 | 14,985.94 |
| 2 1/2% of 1962-67 | 23,000.00 | ............ | 23,000.00 | 23,000.00 |
| 2 1/2% of June 15, 1964-69 (dated Apr. 15, 1943) | 11,500.00 | ............ | 11,500.00 | 11,500.00 |
| 2 1/2% of 1966-71 | 79,616.88 | ............ | 82,000.00 | 79,616.88 |
| 3 1/4% of 1978-83 | 25,000.00 | ............ | 25,000.00 | 25,000.00 |
| 2 3/4% Investment Series B--1975-80 | 108,000.00 | ............ | 108,000.00 | 108,000.00 |
| U.S. savings bonds, Series J, 2.76% | ............. | $49,986.00 | 69,425.00 | 49,986.00 |
| U.S. savings bonds, Series G, 2 1/2% | 348,700.00 | ............ | 348,700.00 | 348,700.00 |
| Total investments | 656,635.65 | 49,986.00 | 726,775.00 | 706,621.65 |
| Undisbursed balance | 47,883.46 | -20,696.84 | ............ | 27,186.62 |
| Total assets | 704,519.11 | 29,289.16 | ............ | 733,808.27 |

[1] Formerly, longshoremen's and harbor workers' compensation fund.

TABLE 62.--National Archives gift fund, June 30, 1954

[This trust fund was established in accordance with the provisions of the National Archives Trust Fund Board Act of July 9, 1941 (55 Stat. 581]

I. RECEIPTS AND EXPENDITURES

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts--Donations | $84,467.08 | $12,888.24 | $97,355.32 |
| Expenditures | 67,942.53 | 12,533.36 | 80,475.89 |
| Balance | 16,524.55 | 354.88 | 16,879.43 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Undisbursed balance | $16,524.55 | $354.88 | $16,879.43 |

TABLE 63. --National park trust fund, June 30, 1954

[This trust fund was established in accordance with the provisions of the act of July 10, 1935 (49 Stat. 477). For further details see annual report of the Secretary for 1941, p. 153]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| Donations | $43,084.13 | $3,918.35 | $47,002.48 |
| Interest earned on investments | 7,857.99 | 460.63 | 8,318.62 |
| Total receipts | 50,942.12 | 4,378.98 | 55,321.10 |
| Expenditures | 19,920.00 | 3,500.00 | [1] 23,420.00 |
| Balance | 31,022.12 | 878.98 | 31,901.10 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| Treasury bonds: | | | |
| 2 3/8 % of 1957-59 | $1,500.00 | ................ | $1,500.00 |
| 2 1/2 % of 1963-68 | 1,000.00 | ................ | 1,000.00 |
| 2 1/2 % of 1966-71 | [2] 14,793.75 | ................ | [2] 14,793.75 |
| 2 1/2 % of Sept. 15, 1967-72 (dated Oct 20, 1941) | 1,000.00 | ................ | 1,000.00 |
| Total investments | 18,293.75 | ................ | 18,293.75 |
| Unexpended balances: | | | |
| Undisbursed balance | 5,662.36 | $7,449.99 | 13,112.35 |
| Unappropriated receipts | 7,066.01 | -6,571.01 | 495.00 |
| Total assets | 31,022.12 | 878.98 | 31,901.10 |

[1] Exclusive of investment transactions.
[2] Par value $15,000.

TABLE 64.--National service life insurance fund, June 30, 1954

[This trust fund was established pursuant to Title VI of Public Law 801, approved Oct. 8, 1940 (54 Stat. 1012). For further details see annual report of the Secretary for 1941, p.143]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| Premiums and other receipts | $5,908,766,999.07 | $390,772,749.72 | $6,299,539,748.79 |
| Interest and profits on investments | 1,465,927,735.05 | 156,398,261.37 | 1,622,325,996.42 |
| Transfers from general fund[1] | 4,490,903,085.54 | 72,102,207.52 | 4,563,005,293.06 |
| Total receipts | 11,865,597,819.66 | 619,273,218.61 | 12,484,871,038.27 |
| Expendituresa: | | | |
| Benefit payments and refunds | 3,011,253,213.13 | 444,748,626.67 | 3,456,001,839.80 |
| Special dividends | 3,549,827,637.36 | 177,600,977.68 | 3,727,428,615.04 |
| Items in transit | 230,040.67 | 189,146.62 | 419,187.29 |
| Total | 6,561,310,891.16 | 622,538,750.97 | 7,183,849,642.13 |
| Balance | 5,304,286,928.50 | -3,265,532.36 | 5,301,021,396.14 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| 3 percent special Treasury notes, national service life insurance fund series, maturing: | | | |
| June 30, 1954 | $2,597,000,000.00 | -$2,597,000,000.00 | .................. |
| June 30, 1955 | 292,459,000.00 | .................. | $292,459,000.00 |
| June 30, 1956 | 792,000,000.00 | .................. | 792,000,000.00 |
| June 30, 1957 | 375,485,000.00 | .................. | 375,485,000.00 |
| June 30, 1958 | 1,192,535,000.00 | 10,000,000.00 | 1,202,535,000.00 |
| June 30, 1959 | .................. | 2,610,000,000.00 | 2,610,000,000.00 |
| Total investments | 5,249,479,000.00 | 23,000,000.00 | 5,272,479,000.00 |
| Undisbursed balance | 54,807,928.50 | -26,265,532.36 | 28,542,396.14 |
| Total assets | 5,304,286,928.50 | -3,265,532.36 | 5,301,021,396.14 |

[1] There has been appropriated through June 30, 1954, the amount of $4,715,244,000.00 available to the Veterans' Administration for transfer and certain benefit payments, in accordance with provisions of the National Service Life Insurance Act of 1940, as amended (38 U.S.C. 804).

TABLE 65.--Pershing Hall Memorial fund, June 30, 1954

[This special fund was established in accordance with the provisions of the act of June 28, 1935 (49 Stat. 426). For further details see annual report of the Secretary for 1941, p. 155]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| Appropriations | $482,032.92 | ............ | $482,032.92 |
| Interest and profits on investments | 91,045.65 | $4,977.50 | 96,023.15 |
| Total receipts | 573,078.57 | 4,977.50 | 578,056.07 |
| Expenditures: | | | |
| On account of current claims and expenses | 288,629.70 | ............ | 288,629.70 |
| On account of National Treasurer,.American Legion | 82,773.69 | 7,466.25 | 90,239.94 |
| Total expenditures | 371,403.39 | 7,466.25 | 378,869.64 |
| Balance | 201,675.18 | -2,488.75 | 199,186.43 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| U. S. savings bonds, Series G, 2 1/2% | $199,100.00 | ............ | $199,100.00 |
| Undisbursed balance | 2,575.18 | -$2,488.75 | 86.43 |
| Total assets | 201,675.18 | -2,488.75 | 199,186.43 |

TABLE 66.--Public Health Service gift funds--Investments held by the Treasury Department, June 30, 1954

[These investments were made in accordance with the provisions of the act of July 1, 1944 (58 Stat. 709)]

| Investments | June 30, 1953 | Fiscal year 1954 | June 30, 1954 | |
|---|---|---|---|---|
| | | | Par value | Principal cost |
| Treasury bonds: 2 1/2% of June 15, 1967-72(dated June 1, 1945) | $86,000.00 | .......... | $86,000.00 | $86,000.00 |
| Total investments | 86,000.00 | .......... | 86,000.00 | 86,000.00 |

TABLE 67.--Railroad retirement account, June 30, 1954

[On basis of daily Treasury statements through 1952, thereafter on basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables." This trust account was established in accordance with the provisions of Sec. 15 (a) of the act of June 24, 1937 (50 Stat. 316). For further details see annual report of the Secretary for 1941, p. 148]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| Appropriations[1] | [2] $5,965,720,874.74 | [3] $637,874,784.65 | [2] $6,603,595,659.39 |
| Balance available for transfer from railroad retirement appropriated account | 18,656,682.00 | [4] -18,656,682.00 | .................. |
| Interest on investments | 476,866,232.30 | 98,658,516.00 | 575,524,748.30 |
| Total receipts | 6,461,243,789.04 | [3] 717,876,618.65 | 7,179,120,407.69 |
| Expenditures: | | | |
| Benefit payments | [5] 3,237,776,094.74 | 484,583,315.65 | 3,722,359,410.39 |
| Administrative expenses[6] | 21,599,807.92 | 5,819,590.69 | 27,419,398.61 |
| Transfer to Federal old-age and survivors insurance trust fund in accordance with Section 5 (k) (2) (b) of the Railroad Retirement Act of 1937 as amended | .................. | 11,595,000.00 | 11,595,000.00 |
| Total expenditures | [5] 3,259,375,902.66 | 501,997,906.34 | 3,761,373,809.00 |
| Balance | [5] 3,201,867,886.38 | [3] 215,878,712.31 | 3,417,746,598.69 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| 3% special Treasury notes, railroad retirement series, maturing: | | | |
| June 30, 1954 | $631,000,000.00 | -$631,000,000.00 | .................. |
| June 30, 1955 | 613,590,000.00 | .................. | $613,590,000.00 |
| June 30, 1956 | 643,729,000.00 | .................. | 643,729,000.00 |
| June 30, 1957 | 1,028,046,000.00 | .................. | 1,028,046,000.00 |
| June 30, 1958 | 211,438,000.00 | 661,635,000.00 | 873,073,000.00 |
| June 30, 1959 | .................. | 186,817,000.00 | 186,817,000.00 |
| Treasury bonds: | | | |
| 3 1/4% of 1978-83 | 15,000,000.00 | -15,000,000.00 | .................. |
| Total investments | 3,142,803,000.00 | 202,452,000.00 | 3,345,255,000.00 |
| Unexpended balances: | | | |
| To credit of disbursing officer | [r] 40,408,204.38 | 32,083,394.31 | 72,491,598.69 |
| On books of the Division of Central Accounts (railroad retirement appropriated account) | [r] 18,656,682.00 | [4] -18,656,682.00 | .................. |
| Total assets | 3,201,867,886.38 | [3] 215,878,712.31 | 3,417,746,598.69 |

[r] Revised.
[1] Includes the Government's contribution for creditable military service under the act of April 8, 1942 (56 Stat. 204). Effective July 1, 1951 (65 Stat. 222 and 66 Stat. 371), appropriations of receipts are equal to the amount of taxes deposited in the Treasury (less refunds) under the Railroad Retirement Tax Act (26 U. S. C. 1500-1538).
[2] Appropriation reduced by the amount of $9,000,000 covering transfer for acquisition of service and compensation data in accordance with Public Res. 102, 76th Cong., approved Oct. 9, 1940. Of this amount $230,000 was returned to the railroad retirement account by transfer appropriation warrant, and appropriation of $498.50 adjustment authorized by the Railroad Retirement Board in September 1947. Appropriation reduced $4 by transfer counter warrant in January 1950, in order to pay a claim pending in General Accounting Office.
[3] Does not include $18,790.16 unappropriated receipts as of June 30, 1954, as noted under trust receipts in the final "Monthly Statement of Receipts and Expenditures of the United States Government," fiscal year 1954.
[4] Rescission by the act approved July 31, 1953 (67 Stat. 258).
[5] Revised from checks paid to checks issued basis. Checks outstanding in the amount of $859.88 were excluded from expenditures in the unexpended balance in table 62 in the 1953 annual report.
[6] Beginning Aug. 1, 1949, paid from the trust fund under Title IV, act of June 29, 1949 (63 Stat. 297).

TABLE 68.--Unemployment trust fund, June 30, 1954

[On basis of daily Treasury statements through 1952, thereafter on basis of "Monthly Statement of Receipts and Expenditures of the United States Government," see "Bases of Tables." This trust fund was established in accordance with the provisions of Sec. 904 (a) of the Social Security Act of Aug. 14, 1935 (49 Stat. 640). For further details see annual report of the Secretary for 1941, p. 145]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | State unemployment agencies | | | Railroad unemployment insurance account[1] | | | Total, unemployment trust fund | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
| Receipts: | | | | | | | | | |
| Deposits... | r $17,819,589,246.03 | $1,245,961,438.55 | $19,065,550,684.58 | [2] $932,067,966.77 | $17,835,376.99 | $949,903,343.76 | r $18,751,657,212.80 | $1,263,796,815.54 | $20,015,454,028.34 |
| Transfers from State unemployment funds to railroad unemployment insurance account[3].. | ........ | ........ | ........ | 107,160,768.89 | ........ | 107,160,768.89 | 107,160,768.89 | ........ | 107,160,768.89 |
| Advance by the Secretary of the Treasury (July 5,1939)... | ........ | ........ | ........ | 15,000,000.00 | ........ | 15,000,000.00 | 15,000,000.00 | ........ | 15,000,000.00 |
| Transfers from railroad unemployment insurance administration fund (act of Oct. 10, 1945 (54 Stat. 1099)).... | ........ | ........ | ........ | 90,155,411.00 | 4,243,628.00 | 94,399,039.00 | 90,155,411.00 | 4,243,628.00 | 94,399,039.00 |
| Interest on investments..... | 1,687,612,442.06 | 208,728,147.50 | 1,896,340,589.56 | 168,234,579.12 | 15,682,728.64 | 183,917,307.76 | 1,855,847,021.18 | 224,410,876.14 | 2,080,257,897.32 |
| Total receipts.. | r 19,507,201,688.09 | 1,454,689,586.05 | 20,961,891,274.14 | 1,312,618,725.78 | 37,761,733.63 | 1,350,380,459.41 | r 20,819,820,413.87 | 1,492,451,319.68 | 22,312,271,733.55 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Expenditures: | | | | | | | | | |
| Withdrawals by States. | r 10,845,833,877.06 | 1,604,819,000.00 | 12,450,652,877.06 | ............... | ............. | ............. | r 10,845,833,877.06 | 1,604,819,000.00 | 12,450,652,877.06 |
| Transfers to railroad unemployment insurance account from State unemployment funds[3].... | 107,160,768.89 | ............... | 107,160,768.89 | ............... | ............. | ............. | 107,160,768.89 | ............... | 107,160,768.89 |
| Repayment of advance to the Secretary of the Treasury (January 1940)..... | ................. | ............... | ................ | 15,000,000.00 | ............. | 15,000,000.00 | 15,000,000.00 | ............... | 15,000,000.00 |
| Railroad unemployment benefit payments..... | ................. | ............... | ................ | r 592,766,325.65 | 140,033,918.86 | 732,800,244.51 | r 592,766,325.65 | 140,033,918.86 | 732,800,244.51 |
| Transfers to railroad unemployment administration fund (act of June 23, 1948 (62 Stat. 577))..... | ................. | ............... | ................ | 12,338,198.54 | ............. | 12,338,198.54 | 12,338,198.54 | ............... | 12,338,198.54 |
| Total expenditures... | r 10,952,994,645.95 | 1,604,819,000.00 | 12,557,813,645.95 | r 620,104,524.19 | 140,033,918.86 | 760,138,443.05 | r 11,573,099,170.14 | 1,744,852,918.86 | 13,317,952,089.00 |
| Balance.. | r 8,554,207,042.14 | -150,129,413.95 | 8,404,077,628.19 | r 692,514,201.59 | -102,272,185.23 | 590,242,016.36 | r 9,246,721,243.73 | -252,401,599.18 | 8,994,319,644.55 |

r Revised.
[1] Established by the Railroad Unemployment Insurance Act of 1938 (52 Stat. 1104).
[2] Contributions under the Railroad Unemployment Insurance Act of 1938, as amended (45 U.S.C. 360 (a)), in excess of the amount specified for administrative expenses.
[3] Amounts equivalent to amounts of taxes collected with respect to the period from January 1936 to June 1939, inclusive, from employers who came within the purview of the Railroad Unemployment Insurance Act, Sec. 13 (d) and Sec. 13 (f).

TABLE 68.--Unemployment trust fund, June 30, 1954--Continued

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| Special Treasury certificates of indebtedness, unemployment trust fund: | | | |
| 2 3/8% series maturing June 30, 1954... | $8,287,000,000.00 | -$8,287,000,000.00 | .................. |
| 2 1/4% series maturing June 30, 1955... | ................. | 8,024,000,000.00 | $8,024,000,000.00 |
| Total special issues.................. | 8,287,000,000.00 | -263,000,000.00 | 8,024,000,000.00 |
| Treasury bonds: | | | |
| 2 1/4% of Dec. 15, 1959-62 (dated Nov. 15, 1945)............................ | 4,000,000.00 | ................. | 4,000,000.00 |
| 2 1/2% of 1962-67...................... | 51,000,000.00 | ................. | 51,000,000.00 |
| 2 1/2% of 1963-68...................... | 56,000,000.00 | ................. | 56,000,000.00 |
| 2 1/2% of June 15, 1964-69 (dated Apr. 15, 1943)............................ | 29,000,000.00 | ................. | 29,000,000.00 |
| 2 1/2% of Dec. 15, 1964-69 (dated Sept. 15, 1943)............................ | 7,000,000.00 | ................. | 7,000,000.00 |
| 2 1/2% of Sept. 15, 1967-72 (dated Oct. 20, 1941)............................ | 7,000,000.00 | ................. | 7,000,000.00 |
| 3 1/4% of 1978-83...................... | 50,000,000.00 | ................. | 50,000,000.00 |
| 2 3/4%, Investment Series B-1975-80.... | 745,000,000.00 | ................. | 745,000,000.00 |
| 2 3/4% of 1961......................... | ................. | 15,000,000.00 | 15,000,000.00 |
| Total public issues.................. | 949,000,000.00 | 15,000,000.00 | 964,000,000.00 |
| Unamortized premium...................... | 1,042,463.92 | -74,908.65 | 967,555.27 |
| Total investments...................... | 9,237,042,463.92 | -248,074,908.65 | 8,988,967,555.27 |
| Unexpended balances: | | | |
| Trust account.............................. | r 7,519,605.46 | -6,347,771.67 | 1,171,833.79 |
| Deposit account (railroad unemployment insurance benefits and refunds).............. | r 2,159,174.35 | 2,021,081.14 | 4,180,255.49 |
| Total assets............................ | r 9,246,721,243.73 | -252,401,599.18 | 8,994,319,644.55 |

III. AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1954, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

| States | Total deposits | Net earnings credited to account | Total withdrawals from account | Balance June 30, 1954 |
|---|---|---|---|---|
| Alabama............................ | $193,597,602.28 | $16,762,547.21 | $135,385,000.00 | $74,975,149.49 |
| Alaska............................. | 28,693,117.93 | 2,091,453.77 | 26,885,378.48 | 3,899,193.22 |
| Arizona............................ | 63,510,271.78 | 6,970,265.78 | 25,772,234.97 | 44,708,302.59 |
| Arkansas........................... | 91,949,820.23 | 9,090,598.42 | 57,012,846.36 | 44,027,572.29 |
| California......................... | 2,169,363,365.05 | 175,551,150.77 | 1,548,440,279.44 | 796,474,236.38 |
| Colorado........................... | 87,870,283.22 | 13,088,004.52 | 32,447,040.19 | 68,511,247.55 |
| Connecticut........................ | 391,183,000.00 | 47,216,774.21 | 206,816,996.24 | 231,582,777.97 |
| Delaware........................... | 29,513,500.20 | 4,292,881.22 | 17,086,069.51 | 16,720,311.91 |
| Dist. of Columbia.................. | 76,209,662.88 | 13,402,465.80 | 34,087,229.25 | 55,524,899.43 |
| Florida............................ | 158,175,820.77 | 17,383,241.29 | 89,262,550.60 | 86,296,511.46 |
| Georgia............................ | 215,814,192.82 | 26,064,100.48 | 107,018,698.83 | 134,859,594.47 |
| Hawaii............................. | 37,079,282.62 | 5,616,175.28 | 20,296,881.25 | 22,398,576.65 |
| Idaho.............................. | 57,445,097.27 | 5,836,731.35 | 29,367,013.78 | 33,914,814.84 |
| Illinois........................... | 1,160,573,170.14 | 135,606,578.14 | 808,209,013.81 | 487,970,734.47 |
| Indiana............................ | 406,359,201.56 | 50,509,717.25 | 247,094,592.27 | 209,774,326.54 |
| Iowa............................... | 147,091,180.90 | 21,451,659.00 | 60,744,841.32 | 107,797,998.58 |
| Kansas............................. | 127,371,999.59 | 15,825,540.20 | 66,216,509.23 | 76,981,030.56 |
| Kentucky........................... | 238,271,000.00 | 29,432,554.11 | 133,177,978.21 | 134,525,575.90 |
| Louisiana.......................... | 247,701,000.00 | 23,743,856.55 | 146,382,139.06 | 125,062,717.49 |
| Maine.............................. | 107,973,600.00 | 9,509,591.28 | 75,164,837.04 | 42,318,354.24 |

r Revised to checks issued basis.

TABLE 68.--Unemployment trust fund June 30, 1954--Continued

III. AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1954, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT--Continued

| States | Total deposits | Net earnings credited to account | Total withdrawals from account | Balance June 30, 1954 |
|---|---|---|---|---|
| Maryland | $277,126,000.00 | $30,460,455.69 | $186,300,347.37 | $121,286,108.32 |
| Massachusetts | 856,295,000.00 | 51,185,633.86 | 658,862,725.57 | 248,617,908.29 |
| Michigan | 1,074,233,481.79 | 79,964,223.38 | 744,216,485.64 | 409,981,219.53 |
| Minnesota | 240,077,807.29 | 28,166,670.06 | 143,395,982.32 | 124,848,495.03 |
| Mississippi | 83,511,978.76 | 8,963,292.97 | 53,202,412.60 | 39,272,859.13 |
| Missouri | 365,072,668.20 | 48,939,760.20 | 199,595,464.25 | 214,416,964.15 |
| Montana | 63,262,197.20 | 7,166,440.76 | 28,727,957.77 | 41,700,680.19 |
| Nebraska | 58,070,135.90 | 8,585,665.25 | 27,146,585.10 | 39,509,216.05 |
| Nevada | 30,547,820.17 | 3,067,406.97 | 17,146,734.46 | 16,468,492.68 |
| New Hampshire | 71,590,368.01 | 6,023,866.61 | 57,155,106.20 | 20,459,128.42 |
| New Jersey | 1,081,525,500.00 | 117,738,793.53 | 716,429,521.02 | 482,834,772.51 |
| New Mexico | 46,325,000.00 | 5,020,418.29 | 17,854,544.78 | 33,490,873.51 |
| New York | 3,426,979,453.29 | 259,007,616.66 | 2,415,620,977.24 | 1,270,366,092.71 |
| North Carolina | 298,877,000.00 | 35,841,460.24 | 163,573,334.43 | 171,145,125.81 |
| North Dakota | 21,423,280.31 | 2,080,424.98 | 13,368,479.75 | 10,135,225.54 |
| Ohio | 1,027,272,949.70 | 142,951,910.90 | 525,739,005.70 | 644,485,854.90 |
| Oklahoma | 122,951,000.00 | 12,855,688.55 | 82,789,133.15 | 53,017,555.40 |
| Oregon | 197,565,304.50 | 18,068,508.91 | 154,835,392.41 | 60,798,421.00 |
| Pennsylvania | 1,428,262,000.00 | 151,456,717.95 | 1,115,748,998.97 | 463,969,718.98 |
| Rhode Island | 221,203,927.95 | 12,084,929.53 | 211,745,673.54 | 21,543,183.94 |
| South Carolina | 127,918,500.00 | 13,184,311.59 | 72,275,743.96 | 68,827,067.63 |
| South Dakota | 17,760,400.00 | 2,521,986.93 | 7,351,304.23 | 12,931,082.70 |
| Tennessee | 261,874,779.57 | 23,632,681.52 | 181,131,440.15 | 104,376,020.94 |
| Texas | 370,170,000.00 | 53,718,376.20 | 144,417,030.42 | 279,471,345.78 |
| Utah | 68,576,867.70 | 7,489,078.54 | 41,688,976.36 | 34,376,969.88 |
| Vermont | 33,654,613.16 | 3,764,478.29 | 20,667,074.06 | 16,752,017.39 |
| Virginia | 167,319,500.00 | 20,613,435.10 | 96,788,850.22 | 91,144,084.88 |
| Washington | 436,130,602.61 | 38,420,128.06 | 292,533,178.53 | 182,017,552.14 |
| West Virginia | 194,438,467.76 | 20,581,406.17 | 140,651,586.39 | 74,368,287.54 |
| Wisconsin | 334,825,985.48 | 55,578,182.31 | 147,868,429.67 | 242,535,738.12 |
| Wyoming | 24,961,925.99 | 2,962,874.98 | 12,117,039.85 | 15,807,761.12 |
| Total | 19,065,550,684.58 | 1,901,542,711.61 | [1] 12,557,813,645.95 | 8,409,279,750.24 |
| Adjustments: | | | | |
| Accrued interest credited to State account | ................. | -5,202,122.05 | ................. | -5,202,122.05 |
| Total | 19,065,550,684.58 | 1,896,340,589.56 | 12,557,813,645.95 | 8,404,077,628.19 |
| Railroad unemployment insurance account: | | | | |
| Deposits of Railroad Retirement Board | 949,903,343.76 | ................. | ................. | 949,903,343.76 |
| Transfers from State unemployment funds | 107,160,768.89 | ................. | ................. | 107,160,768.89 |
| Interest on investments | ................. | 184,284,298.19 | ................. | 184,284,298.19 |
| Transfer for railroad unemployment insurance benefits and refunds | ................. | ................. | 749,318,698.54 | -749,318,698.54 |
| Appropriation advance and repayment | 15,000,000.00 | ................. | 15,000,000.00 | ................. |
| Transfers from administration fund | 94,399,039.00 | ................. | ................. | 94,399,039.00 |
| Total | 1,166,463,151.65 | 184,284,298.19 | 764,318,698.54 | 586,428,751.30 |
| Adjustments: | | | | |
| Accrued interest credited to insurance account | ................. | -366,990.43 | ................. | -366,990.43 |
| Unexpended balance of transfers for benefits and refunds | ................. | ................. | -4,180,255.49 | 4,180,255.49 |
| Total | 1,166,463,151.65 | 183,917,307.76 | 760,138,443.05 | 590,242,016.36 |
| Total, unemployment trust fund | 20,232,013,836.23 | 2,080,257,897.32 | 13,317,952,089.00 | 8,994,319,644.55 |

[1] Includes transfers to railroad unemployment insurance account.

TABLE 69.--U. S. Government life insurance fund--Investments, June 30, 1954

[This trust fund was established in accordance with the provisions of the act of June 7, 1924 (43 Stat. 607). For further details see annual report of the Secretary for 1941, p. 142]

| | June 30, 1953 | Increase, or decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments: | | | |
| Government securities: | | | |
| Special Treasury certificates of indebtedness, 3 1/2% maturing June 30: | | | |
| 1954 | $1,299,000,000.00 | -$1,299,000,000.00 | ................ |
| 1955 | ................ | 1,234,000,000.00 | $1,234,000,000.00 |
| Total investments | 1,299,000,000.00 | -65,000,000.00 | 1,234,000,000.00 |
| Policy loans outstanding[1] | 129,284,335.11 | -2,348,154.73 | 126,936,180.38 |
| Total investments and policy loans in fund | 1,428,284,335.11 | -67,348,154.73 | 1,360,936,180.38 |

[1] Includes interest accrued to anniversary dates of loans.

TABLE 70.--U. S. Naval Academy general gift fund, June 30, 1954

[This trust fund was established in accordance with the act of Mar. 31, 1944 (58 Stat. 135)]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | June 30, 1953 | Fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| Donations | $118,727.72 | $5,000.00 | $123,727.72 |
| Earnings on investments | 18,530.23 | 2,125.00 | 20,655.23 |
| Total receipts | 137,257.95 | 7,125.00 | 144,382.95 |
| Expenditures | 22,298.73 | 7,740.14 | 30,038.87 |
| Balance | 114,959.22 | -615.14 | 114,344.08 |

II. ASSETS HELD BY THE TREASURY DEPARTMENT

| Assets | June 30, 1953 | Decrease (-), fiscal year 1954 | June 30, 1954 |
|---|---|---|---|
| Investments--2 1/2% Treasury bonds of 1965-70 | $85,000.00 | ................ | $85,000.00 |
| Undisbursed balance | 29,959.22 | -$615.14 | 29,344.08 |
| Total assets | 114,959.22 | -615.14 | 114,344.08 |

TABLE 71. --Special trust account for the payment of bonds of the Philippines, its provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress, status as of June 30, 1954

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

| | | Amount |
|---|---|---|
| Receipts: | | |
| Taxes on exports | | $1,586,135.92 |
| Interest on investments | | 2,371,706.38 |
| Profits and losses on investments | | 498,878.35 |
| Unamortized discount on investments | | 50.75 |
| Sale of stock of Bank of the Philippina Islands | | 43,100.00 |
| Deposit of Philippine Government | | 13,141.85 |
| U. S. Treasury bonds received from the Philippine Government | | 6,269,750.00 |
| Annual payments by the Philippine Government | | 15,646,589.37 |
| Total receipts | | 26,429,352.62 |
| Expenditures: | | |
| Principal due on matured Phillippine Government bonds | $14,259,500.00 | |
| Interest due on outstanding Philippine Government bonds | 1,150,946.88 | |
| Return of excess cash to the Philippine Government | 1,000,000.00 | |
| Cancellations: | | |
| Philippine Government bonds held in account (face $3,436,000.00), cost | 3,533,585.13 | [1] 19,944,032.01 |
| Balance in fund | | 6,485,320.61 |

II. FUND ASSETS

| Assets | Face amount |
|---|---|
| Investments: | |
| U.S. Treasury bills due Sept. 16, 1954 | $35,000.00 |
| Treasury bonds: | |
| 2% of 1951-55 | 91,000.00 |
| 2 1/2% of 1956-58 | 548,550.00 |
| 2 1/4% of 1956-59 | 1,650,000.00 |
| 2 1/4% of June 15, 1959-62 (dated June 1, 1945) | 25,000.00 |
| 2 1/4% of Dec. 15, 1959-62 (dated Nov. 15, 1945) | 2,921,000.00 |
| 2 1/2% of 1962-67 | 148,300.00 |
| 2 1/2% of 1963-68 | 648,000.00 |
| U.S. savings bonds, Series G-1947, 1948, 1949, 1950, 2 1/2% | 400,000.00 |
| Total investments | 6,466,850.00 |
| Cash balance with Treasurer of the United States | 18,470.61 |
| Total | 6,485,320.61 |

[1] Total cancellations were made on cost value.

## CORPORATIONS AND CERTAIN OTHER BUSINESS-TYPE ACTIVITIES OF THE UNITED STATES GOVERNMENT

TABLE 72.--Borrowing power and outstanding issues of Government corporations and certain other business-type activities whose obligations are guaranteed by the United States or issued to the Secretary of the Treasury, June 30, 1954

[In millions of dollars]

| Corporation or activity | Borrowing power | Outstanding obligations | | | |
|---|---|---|---|---|---|
| | | Total | Held by Treasury | Held by others | |
| | | | | Unmatured | Matured |
| I. Agencies authorized to borrow from the Secretary of the Treasury: | | | | | |
| Commodity Credit Corporation[1] | 8,500 | 4,180 | 4,180 | ....... | ....... |
| Export-Import Bank of Washington | 3,500 | 1,347 | 1,347 | ....... | ....... |
| Federal Deposit Insurance Corporation | 3,000 | ....... | ....... | ....... | ....... |
| Federal Farm Mortgage Corporation[1] | 500 | (*) | ....... | ....... | (*) |
| Federal home loan banks | 1,000 | ....... | ....... | ....... | ....... |
| Federal Savings and Loan Insurance Corporation | 750 | ....... | ....... | ....... | ....... |
| Foreign Operations Administration:[2] | | | | | |
| India emergency food aid | 27 | 27 | 27 | ....... | ....... |
| Loan to Spain | 62 | 48 | 48 | ....... | ....... |
| Mutual defense assistance program | 1,122 | 1,122 | 1,122 | ....... | ....... |
| Industrial and informational media guaranties | 193 | 6 | 6 | ....... | ....... |
| Housing and Home Finance Administrator: | | | | | |
| Federal National Mortgage Association | [3] 3,650 | 2,233 | 2,233 | ....... | ....... |
| Housing loans for educational institutions | 300 | 52 | 52 | ....... | ....... |
| Prefabricated housing loans program[4] | 13 | 13 | 13 | ....... | ....... |
| Slum clearance program | [5] 1,000 | 38 | 38 | ....... | ....... |
| Public Housing Administration | 1,500 | 215 | 215 | ....... | ....... |
| Reconstruction Finance Corporation (in liquidation)[6] | 155 | 154 | 154 | ....... | ....... |
| Rural Electrification Administration | [7] 2,718 | [7] 2,117 | 2,117 | ....... | ....... |
| Saint Lawrence Seaway Development Corporation | 105 | ....... | ....... | ....... | ....... |
| Secretary of Agriculture (Farmers' Home Administration) | [8] 226 | [8] 226 | 226 | ....... | ....... |
| Secretary of the Army (natural fibers revolving fund) | 150 | ....... | ....... | ....... | ....... |
| Secretary of the Treasury (Federal Civil Defense Act of 1950)[9] | 250 | 2 | 2 | ....... | ....... |
| Tennessee Valley Authority | 29 | 29 | 29 | ....... | ....... |
| Veterans' Administration (veterans' direct loan program) | [10] 367 | 367 | 367 | ....... | ....... |
| Defense Production Act of 1950, as amended: | | | | | |
| Export-Import Bank of Washington | 50 | 13 | 13 | ....... | ....... |
| General Services Administration[11] | 1,250 | 594 | 594 | ....... | ....... |
| Secretary of Agriculture | 48 | 2 | 2 | ....... | ....... |
| Secretary of the Interior (Defense Minerals Exploration Administration) | 22 | 15 | 15 | ....... | ....... |
| Secretary of the Treasury[12] | 388 | 150 | 150 | ....... | ....... |
| Unallocated | 342 | ....... | ....... | ....... | ....... |
| Total | [13] 31,216 | 12,949 | 12,949 | ....... | (*) |
| II. Agencies authorized to issue guaranteed obligations only in payment of defaulted and foreclosed insured mortgages:[14] | | | | | |
| Federal Housing Administration | [15] 24,300 | 80 | ....... | 80 | ....... |
| Home Owners' Loan Corporation (liquidated) | [16] 1 | 1 | ....... | ....... | 1 |
| Total | 24,301 | 81 | ....... | 80 | 1 |

Footnotes at end of table.

*Less than $500,000.

[1] Corporation may also issue obligations guaranteed by the Secretary of the Treasury.

[2] This Administration superseded the Mutual Security Agency, effective Aug. 1, 1953, pursuant to Reorganization Plan No. 7 of 1953, and Executive Order No. 10476 of Aug. 1, 1953.

[3] Represents borrowing authority equivalent to amount of gross lending authority.

[4] Pursuant to the act approved June 24, 1954 (68 Stat. 296), the authority of the Administrator to issue obligations to the Secretary of the Treasury terminated on June 30, 1954, except for extensions or refinancing of existing obligations.

[5] Pursuant to the act approved July 15, 1949 (63 Stat. 415), the Administrator, with approval of the President may issue notes and obligations to the Secretary of the Treasury in an amount not to exceed $25 million, which limit could be increased by $225 million on July 1, 1950, and by further amounts of $250 million on July 1 of each of the years 1951, 1952, and 1953. As of June 30, 1954, the President had approved issuance of obligations amounting to $200 million.

[6] Pursuant to the act approved July 30, 1953 (67 Stat. 230), this Corporation was transferred to the Secretary of the Treasury for liquidation, effective July 1, 1954.

[7] Has not been reduced to reflect payment of principal amounting to $26 million included in payment received June 30, 1954, distributed after July 1, 1954.

[8] Has not been reduced to reflect payment of principal amounting to $54 million included in payment received June 30, 1954, distributed after July 1, 1954.

[9] In accordance with the act approved July 30, 1953 (67 Stat. 230), the activities carried on pursuant to Section 409 of the Federal Civil Defense Act of 1950 (64 Stat. 1257), were transferred from the Reconstruction Finance Corporation to the Secretary of the Treasury as of Sept. 28, 1953.

[10] In addition to this amount, funds may be advanced until June 30, 1955, as the Veterans' Administrator may request, provided the aggregate so advanced in any one quarter annual period shall not exceed the sum of $37.5 million, less the amount which had been returned to the revolving fund during the preceding quarter annual period from sale of loans pursuant to Section 512 (d) of Title III of the Servicemen's Readjustment Act of 1944, as amended (38 U.S.C. 694m).

[11] The Defense Materials Procurement Agency was abolished, and its activities were transferred to the General Services Administration in accordance with Executive Order No. 10480 of Aug. 14, 1953.

[12] Pursuant to the act approved July 30, 1953 (67 Stat. 230), and Executive Order No. 10489, dated Sept. 26, 1953, the activities carried on by the Reconstruction Finance Corporation in accordance with Title III of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2091-2094), were transferred to the Secretary of the Treasury, effective at the close of business on Sept. 28, 1953.

[13] Excludes authorization of $3,175 million for subscription to the International Bank for Reconstruction and Development.

[14] The authority of the Maritime Administration (formerly shown under this heading) to issue debentures to mortgagees for the unpaid balance on the property acquired through foreclosure was terminated by the act approved Aug. 15, 1953 (67 Stat. 626). In accordance with this act, cash shall be paid to mortgagees for the insured amount of the unpaid balance on the defaulted mortgages which are assigned.

[15] Represents $22,550 million limit of authority to insure mortgages under certain titles of the National Housing Act, as amended (12 U.S.C. 1701-1750g), and $1,750 million limit of liability on insured loans and notes under Title I, Section 2 of the same act, as amended. Unused mortgage insurance authorizations under all titles as of June 30, 1954, amounted to $1,560 million. Debentures may be tendered and issued only in exchange for insured property acquired through foreclosure of mortgages under each title, except Title I, Section 2. Insurance claims on foreclosed loans and notes under Title I, Section 2 are paid in cash.

[16] Represents unpaid balances of matured obligations. Funds are on deposit with the Treasurer of the United States for payment of these obligations.

TABLE 73.--Treasury holdings of bonds and notes issued by Government corporations and other business-type activities, June 30, 1944-54

[Face amount, in thousands of dollars. On basis of daily Treasury statements, see "Bases of Tables"]

| Agency | June 30, 1944 | June 30, 1945 | June 30, 1946 | June 30, 1947 | June 30, 1948 | June 30, 1949 | June 30, 1950 | June 30, 1951 | June 30, 1952 | June 30, 1953 | June 30, 1954 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Commodity Credit Corporation | 900,000 | 1,591,000 | 1,301,000 | 510,000 | 440,000 | 1,669,000 | 3,193,000 | 2,555,000 | 1,970,000 | 3,612,000 | 4,180,000 |
| Export-Import Bank of Washington | ... | ... | ... | 516,200 | 970,600 | 913,900 | 964,500 | 1,039,600 | 1,088,100 | 1,227,100 | 1,347,000 |
| Federal Farm Mortgage Corporation | 366,000 | 108,000 | 13,000 | 21,000 | ... | 500 | ... | ... | ... | ... | ... |
| Foreign Operations Administration[1] | ... | ... | ... | ... | ... | 782,007 | 964,411 | 1,096,796 | 1,149,963 | 1,188,999 | 1,202,813 |
| Home Owners' Loan Corporation | 580,000 | 1,009,982 | 737,000 | 529,000 | 244,000 | 125,000 | ... | ... | ... | ... | ... |
| Housing and Home Finance Administrator: | | | | | | | | | | | |
| Federal National Mortgage Association | ... | ... | ... | ... | ... | ... | ... | 1,549,003 | 2,037,893 | 2,446,097 | 2,233,210 |
| Housing loans for educational institutions | ... | ... | ... | ... | ... | ... | ... | ... | 2,000 | 20,000 | 51,500 |
| Prefabricated housing loans program | ... | ... | ... | ... | ... | ... | ... | 26,670 | 32,170 | 18,787 | 12,801 |
| Slum clearance program | ... | ... | ... | ... | ... | ... | 500 | 3,000 | 10,000 | 28,000 | 38,000 |
| Public Housing Administration | 398,000 | 383,000 | 360,000 | 347,000 | 362,000 | 337,000 | 349,000 | 489,000 | 655,000 | 655,000 | 215,000 |
| Reconstruction Finance Corporation[2] | 8,416,487 | 9,019,947 | 9,205,355 | 9,966,141 | ... | 1,856,213 | 1,456,246 | 274,051 | 197,173 | 159,000 | 154,000 |
| Rural Electrification Administration | ... | ... | ... | ... | 718,074 | 1,015,193 | 1,281,136 | 1,540,220 | 1,750,563 | 1,950,238 | [3] 2,117,342 |
| Secretary of Agriculture (Farmers' Home Administration program) | ... | ... | ... | ... | ... | ... | 49,963 | 114,315 | 130,580 | 170,733 | [4] 225,974 |
| Secretary of Agriculture, Farmers' Home Administration (farm housing program) | ... | ... | ... | ... | ... | ... | 15,000 | ... | ... | ... | ... |
| Secretary of the Army (natural fibers revolving fund) | ... | ... | ... | ... | ... | 100,000 | 100,000 | 100,000 | ... | ... | ... |
| Secretary of the Treasury (Federal Civil Defense Act of 1950)[5] | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 2,139 |
| Tennessee Valley Authority | 56,772 | 56,772 | 56,772 | 56,500 | 54,000 | 51,500 | 49,000 | 44,000 | 39,000 | 34,000 | 29,000 |
| Veterans' Administration (veterans' direct loan program) | ... | ... | ... | ... | ... | ... | ... | 107,110 | 177,978 | 270,068 | 366,719 |
| Virgin Islands Corporation (The) | ... | ... | ... | ... | 250 | 750 | ... | ... | ... | ... | ... |
| Defense Production Act of 1950, as amended: | | | | | | | | | | | |
| Defense Materials Procurement Agency[6] | ... | ... | ... | ... | ... | ... | ... | ... | 333,700 | 283,700 | ... |
| Export-Import Bank of Washington | ... | ... | ... | ... | ... | ... | ... | ... | 61 | 368 | 13,068 |
| General Services Administration[6] | ... | ... | ... | ... | ... | ... | ... | 150,000 | ... | ... | 593,700 |
| Reconstruction Finance Corporation[7] | ... | ... | ... | ... | ... | ... | ... | 7,400 | 57,200 | 122,200 | ... |
| Secretary of Agriculture | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 2,084 |
| Secretary of the Interior (Defense Minerals Exploration Administration) | ... | ... | ... | ... | ... | ... | ... | 500 | 4,500 | 10,000 | 15,000 |
| Secretary of the Treasury[7] | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 149,500 |
| Total | 10,717,260 | 12,168,702 | 11,673,128 | 11,945,841 | 2,788,924 | 6,851,062 | 8,422,756 | 9,096,664 | 9,635,881 | 12,196,290 | 12,948,850 |

[1] This Administration superseded the Mutual Security Agency, effective Aug. 1, 1953, pursuant to Reorganization Plan No. 7 of 1953, and Executive Order No. 10476 of Aug. 1, 1953.

[2] Pursuant to the act approved July 30, 1953 (67 Stat. 230), this Corporation was transferred to the Secretary of the Treasury for liquidation, effective July 1, 1954.

[3] Has not been reduced to reflect payment of $46,440,357.25 received on June 30, 1954, representing $26,209,909.10 principal and $20,230,448.15 interest, distributed after July 1, 1954.

[4] Has not been reduced to reflect payment of $55,786,183.99 received on June 30, 1954, representing $53,596,930.95 principal and $2,189,253.04 interest, distributed after July 1, 1954.

[5] In accordance with the act approved July 30, 1953 (67 Stat. 230), the activities carried on pursuant to Section 409 of the Federal Civil Defense Act of 1950 (64 Stat. 1257), were transferred from the Reconstruction Finance Corporation to the Secretary of the Treasury on Sept. 28, 1953.

[6] The Defense Materials Procurement Agency was abolished, and its activities were transferred to the General Services Administration in accordance with Executive Order No. 10480 of Aug. 14, 1953.

[7] Pursuant to the act approved July 30, 1953 (67 Stat. 230), and Executive Order No. 10489, dated Sept. 26, 1953, the activities carried on by the Reconstruction Finance Corporation in accordance with Title III of the Defense Production Act of 1950, as amended (U.S.C. App. 2091-2094), were transferred to the Secretary of the Treasury, effective at the close of business on Sept. 28, 1953.

TABLE 74.--Description of Treasury holdings of bonds and notes issued by Government corporations and other business-type activities, June 30, 1954

[On basis of daily Treasury statements, see "Bases of Tables"]

| Title and authorizing act | Date of issue | Redeemable (on and after) | Payable | Interest payable | Rate of interest | Principal amount |
|---|---|---|---|---|---|---|
| Commodity Credit Corporation, act of Mar. 8, 1938, as amended: | | | | | *Percent* | |
| Notes, Series Seven--1955 | June 30, 1954 | At any time | June 30, 1955 | June 30, Dec. 31 | 1 | $4,180,000,000.00 |
| Export-Import Bank of Washington, act of July 31, 1945, as amended: | | | | | | |
| Notes, Series 1959 | Various | ....do | June 30, 1959 | ....do | 1 7/8 | 512,600,000.00 |
| Notes, Series 1959 | ....do | ....do | ....do | ....do | 2 | 174,900,000.00 |
| Notes, Series 1959 | ....do | ....do | ....do | ....do | 2 1/8 | 67,800,000.00 |
| Note, Series 1961 | Dec. 31, 1951 | ....do | Dec. 31, 1961 | ....do | 2 | 451,100,000.00 |
| Notes, Series 1961 | June 30, 1954 | ....do | ....do | ....do | 2 1/4 | 140,600,000.00 |
| | | | | | | 1,347,000,000.00 |
| Foreign Operations Administration, acts of Apr. 3, 1948, as amended, and June 15, 1951:[1] | | | | | | |
| Note of Administrator (E.C.A.) | Oct. 27, 1948 | ....do | Apr. 3, 1964 | At any time by agreement. | 1 7/8 | 1,410,000.00 |
| Note of Administrator (E.C.A.) | ....do | ....do | ....do | ....do | 2 | 1,305,000.00 |
| Note of Administrator (E.C.A.) | ....do | ....do | ....do | ....do | 2 1/8 | 2,272,610.67 |
| Note of Administrator (E.C.A.) | Jan. 24, 1949 | ....do | ....do | ....do | 2 1/2 | 330,000.00 |
| Note of Administrator (E.C.A.) | ....do | ....do | ....do | ....do | 2 5/8 | 75,000.00 |
| Note of Administrator (E.C.A.) | ....do | ....do | ....do | ....do | 2 3/4 | 152,389.33 |
| Notes of Administrator (E.C.A.) | Various | ....do | June 30, 1977 | ....do | 1 7/8 | 48,281,660.75 |
| Notes of Administrator (E.C.A.) | ....do | ....do | June 30, 1984 | ....do | 1 7/8 | 1,121,995,402.12 |
| Note of Director (M.S.A.) | Feb. 6, 1952 | ....do | Dec. 31, 1986 | ....do | 2 | 26,990,546.71 |
| | | | | | | 1,202,812,609.58 |
| Housing and Home Finance Administrator: | | | | | | |
| Federal National Mortgage Association, Reorganization Plan No. 22 of 1950: | | | | | | |
| Notes, Series A | Various | ....do | Jan. 1, 1955 | Jan. 1, July 1 | 2 1/8 | 2,209,200,000.00 |
| Note, Series B | May 1, 1954 | ....do | July 1, 1958 | ....do | 2 | 24,010,000.00 |
| Housing loans for educational institutions, act of Apr. 20, 1950: | | | | | | |
| Notes, Series CH | Various | ....do | Various | ....do | 2 1/8 | 35,000,000.00 |
| Note, Series B | Jan. 1, 1954 | ....do | Dec. 31, 1963 | ....do | 2 1/2 | 11,500,000.00 |
| Note, Series C | June 1, 1954 | ....do | June 1, 1974 | ....do | 2 5/8 | 5,000,000.00 |
| Prefabricated housing loans program, Reorganization Plan No. 23 of 1950, and act of Sept. 1, 1951: | | | | | | |
| Notes, Series FB | Various | ....do | July 1, 1955 | ....do | 2 1/8 | 8,393,932.49 |
| Note, Series LPH | Dec. 13, 1951 | ....do | ....do | ....do | 2 1/8 | 4,406,696.10 |
| Slum clearance program, act of July 15, 1949: | | | | | | |
| Notes | Various | ....do | June 30, 1960 | ....do | 2 1/8 | 38,000,000.00 |
| | | | | | | 2,335,510,628.59 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Public Housing Administration, act of Sept. 1, 1937, as amended: | | | | | | |
| Notes, Series P | ....do | ....do | June 30, 1956 | June 30, Dec. 31 | 1 7/8 | 85,000,000.00 |
| Notes, Series Q | ....do | ....do | Sept. 30, 1954 | ....do | 1 | 20,000,000.00 |
| Notes, Series Q | ....do | ....do | ....do | ....do | 1 1/8 | 20,000,000.00 |
| Notes, Series Q | ....do | ....do | ....do | ....do | 1 3/8 | 14,000,000.00 |
| Notes, Series Q | ....do | ....do | ....do | ....do | 1 1/2 | 50,000,000.00 |
| Notes, Series Q | ....do | ....do | ....do | ....do | 1 7/8 | 26,000,000.00 |
| | | | | | | 215,000,000.00 |
| Reconstruction Finance Corporation, act of Jan. 22, 1932, as amended:[2] | | | | | | |
| Notes, Series DD | ....do | ....do | June 15, 1959 | Jan. 1, July 1 | 2 | 154,000,000.00 |
| Rural Electrification Administration, act of May 20, 1936, as amended: | | | | | | |
| Notes of Administrator | ....do | ....do | Various | June 30, Dec. 31 | 2 | [3] 2,117,342,273.87 |
| Secretary of Agriculture (Farmers' Home Administration program), acts of July 5, 1952, June 30, 1953, and July 31, 1953: | | | | | | |
| Notes | ....do | ....do | June 30,1958 | ....do | 2 3/4 | 182,000,000.00 |
| Note | July 9, 1952 | ....do | June 30, 1992 | ....do | 2 1/8 | 43,973,827.33 |
| | | | | | | [4] 225,973,827.33 |
| Secretary of the Treasury (Federal Civil Defense Act of 1950), acts of Jan. 22, 1932, as amended, and July 30, 1953:[5] | | | | | | |
| Note, Series DD | Dec. 28, 1950 | ....do | Jan. 1, 1955 | Jan. 1, July 1 | 1 7/8 | 1,813,970.61 |
| Notes, Series FCD | Various | ....do | July 1, 1958 | ....do | 2 | 100,000.00 |
| Note, Series FCD | Mar. 15, 1954 | ....do | ....do | ....do | 2 1/4 | 25,000.00 |
| Notes, Series FCD | Various | . do | ....do | ....do | 2 1/2 | 200,000.00 |
| | | | | | | 2,138,970.61 |
| Tennessee Valley Authority, act of May 18, 1933, as amended: | | | | | | |
| Bonds of 1951-63 | Aug. 15, 1939 | Aug. 15, 1951 | Aug. 15, 1963 | Feb. 15, Aug. 15 | 2 3/8 | 12,500,000.00 |
| Bonds of 1955-69 | ....do | Aug. 15, 1955 | Aug. 15, 1969 | ....do | 2 1/2 | 16,500,000.00 |
| | | | | | | 29,000,000.00 |
| Veterans' Administration (veterans' direct loan program), acts of Apr. 20, 1950, as amended, and July 1, 1953: | | | | | | |
| Agreements | Various | At any time | Indefinite due date | Jan. 1, July 1 | 2 1/8 | 270,067,626.00 |
| Agreement | Sept. 23, 1953 | ....do | ....do | ....do | 3 | 24,273,674.00 |
| Agreement | Dec. 24, 1953 | ....do | ....do | ....do | 2 7/8 | 24,848,884.00 |
| Agreement | Mar. 25, 1954 | ....do | ....do | ....do | 2 3/4 | 24,654,540.00 |
| Agreement | June 23, 1954 | ....do | ....do | ....do | 2 1/2 | 22,874,151.00 |
| | | | | | | 366,718,875.00 |

Footnotes at end of table.

TABLE 74.--Description of Treasury holdings of bonds and notes issued by Government corporations and other business-type activities, June 30, 1954--Continued

| Title and authorizing act | Date of issue | Redeemable (on and after) | Payable | Interest payable | Rate of interest | Principal amount |
|---|---|---|---|---|---|---|
| Defense Production Act of Sept. 8, 1950, as amended: | | | | | Percent | |
| Export-Import Bank of Washington: | | | | | | |
| Notes, Series DP | Various | At any time | Various | June 30, Dec. 31 | 2 | $1,917,849.58 |
| Notes, Series DP | ....do | ....do | ....do | ....do | 2 1/8 | 465,254.96 |
| Notes, Series DP | Mar. 23, 1954 | ....do | June 30, 1958 | ....do | 2 1/4 | 254,000.00 |
| Notes, Series DP | Various | ....do | Various | ....do | 2 1/2 | 3,096,565.62 |
| Notes, Series DP | ....do | ....do | ....do | Various | 2 5/8 | 2,298,918.92 |
| Notes, Series DP | ....do | ....do | ....do | ....do | 2 3/4 | 3,035,793.59 |
| Notes, Series DP | ....do | ....do | Dec. 31, 1965 | June 30, Dec. 31 | 2 7/8 | 2,000,000.00 |
| General Services Administration:[6] | | | | | | |
| Notes of Administrator | ....do | ....do | Various | Jan. 1, July 1 | 2 | 140,000,000.00 |
| Notes of Administrator | ....do | ....do | ....do | ....do | 2 1/8 | 303,700,000.00 |
| Note of Administrator, Series D | Oct. 1, 1953 | ....do | Oct. 1, 1958 | ....do | 2 3/4 | 20,000,000.00 |
| Note of Administrator, Series D | Nov. 2, 1953 | ....do | Nov. 2, 1958 | ....do | 2 5/8 | 10,000,000.00 |
| Note of Administrator, Series D | Dec. 3, 1953 | ....do | Dec. 3, 1958 | ....do | 2 1/2 | 80,000,000.00 |
| Note of Administrator, Series D | Mar. 1, 1954 | ....do | Mar. 1, 1959 | ....do | 2 1/4 | 40,000,000.00 |
| Secretary of Agriculture: | | | | | | |
| Note | June 23, 1954 | ....do | July 1, 1958 | June 30, Dec. 31 | 2 | 2,084,000.00 |
| Secretary of the Interior (Defense Minerals Exploration Administration): | | | | | | |
| Notes | Various | ....do | July 1, 1962 | Jan. 1, July 1 | 2 1/8 | 15,000,000.00 |
| Secretary of the Treasury:[7] | | | | | | |
| Notes, Series EE | ....do | ....do | Dec. 1, 1955 | ....do | 2 | 109,100,000.00 |
| Notes, Series EE | ....do | ....do | ....do | ....do | 2 1/8 | 7,000,000.00 |
| Notes, Series TDP | ....do | ....do | July 1, 1958 | ....do | 2 | 7,500,000.00 |
| Notes, Series TDP | ....do | ....do | ....do | ....do | 2 1/8 | 3,100,000.00 |
| Notes, Series TDP | ....do | ....do | ....do | ....do | 2 1/4 | 4,800,000.00 |
| Notea, Series TDP | ....do | ....do | ....do | ....do | 2 1/2 | 10,500,000.00 |
| Notes, Series TDP | ....do | ....do | ....do | ....do | 2 5/8 | 5,500,000.00 |
| Notes, Series TDP | ....do | ....do | ....do | ....do | 2 3/4 | 2,000,000.00 |
| | | | | | | 773,352,382.67 |
| Total | ........ | ........ | ........ | ........ | ........ | 12,948,849,567.65 |

[1] This Administration superseded the Mutual Security Agency, effective Aug. 1, 1953, pursuant to Reorganization Plan No. 7 of 1953, and Executive Order No. 10476 of Aug. 1, 1953.

[2] Pursuant to the act approved July 30, 1953 (67 Stat. 230), this Corporation was transferred to the Secretary of the Treasury for liquidation, effective July 1, 1954.

[3] Has not been reduced to reflect payment of $46,440,357.25 received on June 30, 1954, representing $26,209,909.10 principal and $20,230,448.15 interest, distributed after July 1, 1954.

[4] Has not been reduced to reflect payment of $55,786,183.99 received on June 30, 1954, representing $53,596,930.95 principal and $2,189,253.04 interest, distributed after July 1, 1954.

[5] In accordance with the act approved July 30, 1953 (67 Stat. 230), the activities carried on pursuant to Section 409 of the Federal Civil Defense Act of 1950 (64 Stat. 1257), were transferred from the Reconstruction Finance Corporation to the Secretary of the Treasury on Sept. 28, 1953.

[6] The Defense Materials Procurement Agency was abolished, and its activities were transferred to the General Services Administration in accordance with Executive Order No. 10480 of Aug. 14, 1953.

[7] Pursuant to the act approved July 30, 1953 (67 Stat. 230), and Executive Order No. 10489, dated Sept. 26, 1953, the activities carried on by the Reconstruction Finance Corporation in accordance with Title III of the Defense Production Act of 1950, as amended (U.S.C. App. 2091-2094), were transferred to the Secretary of the Treasury, effective at the close of business on Sept. 28, 1953.

TABLE 75.--Treasury holdings of bonds and notes issued by Government corporations and other business-type activities, and related current year transactions, fiscal year 1954

| Agency | Treasury holdings June 30, 1953 | Transactions during the fiscal year 1954 | | | Treasury holdings June 30, 1954[1] |
|---|---|---|---|---|---|
| | | Advances by Treasury | Repayments and refunding | Cancellations | |
| Commodity Credit Corporation | $3,612,000,000.00 | $7,518,000,000.00 | $5,993,227,166.00 | $956,772,834.00 | $4,180,000,000.00 |
| Export-Import Bank of Washington | 1,227,468,441.42 | 601,217,263.47 | 468,617,322.22 | ........ | 1,360,068,382.67 |
| General Services Administration | 283,700,000.00 | 310,000,000.00 | ........ | ........ | 593,700,000.00 |
| Housing and Home Finance Administrator: | | | | | |
| Federal National Mortgage Association program | 2,446,097,000.00 | 145,869,000.00 | 358,756,000.00 | ........ | 2,233,210,000.00 |
| Housing loans for educational institutions | 20,000,000.00 | 31,500,000.00 | ........ | ........ | 51,500,000.00 |
| Prefabricated housing loans program | 18,786,957.33 | ........ | 5,986,328.74 | ........ | 12,800,628.59 |
| Slum clearance program | 28,000,000.00 | 10,000,000.00 | ........ | ........ | 38,000,000.00 |
| Foreign Operations Administration | 1,188,999,362.72 | 14,404,820.39 | 591,573.53 | ........ | 1,202,812,609.58 |
| Public Housing Administration | 655,000,000.00 | 439,000,000.00 | 879,000,000.00 | ........ | 215,000,000.00 |
| Reconstruction Finance Corporation | 281,200,000.00 | 174,186,029.39 | 301,386,029.39 | ........ | 154,000,000.00 |
| Rural Electrification Administration | 1,950,237,684.66 | 205,000,000.00 | 37,895,410.79 | ........ | 2,117,342,273.87 |
| Secretary of Agriculture: | | | | | |
| Farmers Home Administration program | 170,733,159.78 | 182,000,000.00 | 126,759,332.45 | ........ | 225,973,827.33 |
| Defense Production Act | ........ | 2,084,000.00 | ........ | ........ | 2,084,000.00 |
| Secretary of the Interior: | | | | | |
| Defense Minerals Exploration Administration | 10,000,000.00 | 5,000,000.00 | ........ | ........ | 15,000,000.00 |
| Secretary of the Treasury: | | | | | |
| Defense Production Act | ........ | 165,600,000.00 | 16,100,000.00 | ........ | 149,500,000.00 |
| Federal civil defense | ........ | 2,138,970.61 | ........ | ........ | 2,138,970.61 |
| Tennessee Valley Authority | 34,000,000.00 | ........ | 5,000,000.00 | ........ | 29,000,000.00 |
| Veterans' Administration | 270,067,626.00 | 96,651,249.00 | ........ | ........ | 366,718,875.00 |
| Total[1] | 12,196,290,231.91 | 9,902,651,332.86 | 8,193,319,163.12 | 956,772,834.00 | 12,948,849,567.65 |

[1] Detailed information regarding the individual security holdings is given in the preceding table.

TABLE 76.--Comparative statement of the assets, liabilities, and capital of Government corporations and certain other business-type activities as of June 30, 1945-54

[In thousands of dollars. On basis of reports received from the corporations and activities]

| | 1945 | 1946 | 1947 | 1948 | 1949 | 1950 | 1951 | 1952 | 1953 | 1954 |
|---|---|---|---|---|---|---|---|---|---|---|
| ASSETS | | | | | | | | | | |
| Cash | 700,775 | 1,351,216 | 1,792,484 | 1,042,253 | 513,840 | 473,566 | 649,020 | 808,062 | 1,063,173 | 1,231,718 |
| Deposits with Government corporations and agencies | 350,716 | 238,268 | 310,784 | 3,235 | 117,756 | 184,364 | 159,238 | 44,864 | 92,744 | 26.735 |
| Loans receivable: | | | | | | | | | | |
| Interagency | [1] 20,694,131 | [1] 12,402,850 | 12,711,713 | 2,918,640 | 7,363,749 | 9,472,354 | 9,091,310 | 9,635,063 | 14,567,813 | 15,134,300 |
| Others, less reserves | 5,544,241 | 5,424,779 | 7,662,047 | 10,372,608 | 11,769,928 | 12,501,690 | 13,503,585 | 15,912,908 | 17,637,107 | 18,489,131 |
| Accounts and other receivables: | | | | | | | | | | |
| Interagency | 1,570,161 | 1,680,201 | 872,405 | 211,522 | 1,224,344 | 170,394 | 174,409 | 323,382 | 305,485 | 383,923 |
| Others, less reserves | 914,485 | 937,116 | 804,464 | 279,545 | 243,886 | 322,488 | 517,555 | 657,314 | 1,008,315 | 1,737,795 |
| Commodities, supplies, and materials, less reserves | 2,506,305 | 1,459,311 | 850,763 | 250,698 | 1,139,795 | 2,185,643 | 1,718,857 | 1,350,256 | 2,200,910 | 3,368,816 |
| Investments: | | | | | | | | | | |
| Public debt securities | 1,679,497 | 1,767,187 | 1,777,276 | 1,683,575 | 2,003,643 | 2,101,389 | 2,184,658 | 2,363,908 | 2,587,587 | 2,911,291 |
| Capital stock and paid-in surplus of Government corporations | 639,010 | 444,151 | 444,422 | 190,500 | 200,500 | 200,500 | 179,500 | 179,500 | 200,500 | 172,000 |
| Other interagency | 11,335 | 8,582 | 1,709 | ............ | ............ | ............ | 69 | 198 | 154 | 8,112 |
| International Bank for Reconstruction and Development--stock | ............ | 158,750 | 635,000 | 635,000 | 635,000 | 635,000 | 635,000 | 635,000 | 635,000 | 635,000 |
| International Monetary Fund--subscriptions | ............ | 275 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 |
| Others, less reserves | 374,581 | 242,242 | 179,839 | 145,817 | 123,160 | 97,528 | 88,920 | 52,640 | 44,642 | 54,316 |
| Land, structures, and equipment, less reserves | 20,163,729 | 15,557,797 | 12,690,578 | 2,457,783 | 2,945,585 | 2,923,604 | 2,999,236 | 3,185,540 | 7,867,142 | 8,076,630 |
| Acquired security or collateral, less reserves | 75,382 | 40,625 | 28,597 | 29,330 | 52,516 | 85,772 | 116,991 | 120,930 | 140,992 | 126,694 |
| All other assets, less reserves | 1,593,252 | 632,374 | 494,915 | 473,293 | 54,424 | 41,786 | 24,300 | 96,217 | 217,774 | 220,496 |
| Total assets | 56,817,600 | [2] 42,345,726 | 44,006,994 | [3] 23,443,798 | [3] 31,138,124 | [4] 34,146,079 | [4] 34,792,648 | [4] 38,115,784 | [5] 51,319,337 | [5] 55,326,957 |
| LIABILITIES | | | | | | | | | | |
| Accounts and other payables: | | | | | | | | | | |
| Interagency | 732,046 | 567,704 | 223,019 | 30,779 | 30,301 | 37,915 | 73,823 | 191,881 | 297,310 | 266,198 |
| Others | 1,099,520 | 1,272,217 | 395,849 | 184,467 | 303,753 | 322,111 | 196,278 | 250,284 | 641,912 | 652,353 |
| Trust and deposit liabilities: | | | | | | | | | | |
| Interagency | 2,749,847 | 1,236,957 | 1,057,703 | 698,196 | 232,119 | 303,476 | 264,751 | 222,981 | 277,445 | 203,661 |
| Others | 258,693 | 442,813 | 505,557 | 177,188 | 288,685 | 380,484 | 284,547 | 450,890 | 550,324 | 864,546 |
| Bonds, debentures, and notes payable: | | | | | | | | | | |
| To Secretary of the Treasury | 12,168,702 | 11,672,128 | 11,945,841 | 2,788,924 | 6,069,055 | 7,458,345 | 6,380,882 | 7,523,562 | 12,121,859 | 12,866,065 |
| Other interagency | 8,500,764 | 739,304 | 767,580 | 129,715 | 505,687 | 1,034,598 | 1,568,951 | 2,054,698 | 2,431,698 | 2,237,972 |
| Others | 1,664,831 | 1,559,217 | 589,253 | 903,923 | 890,372 | 791,913 | 1,407,290 | 1,271,702 | 1,182,502 | 1,052,217 |
| All other liabilities | 2,803,949 | 2,477,787 | 1,143,647 | 825,520 | 894,528 | 743,279 | 451,590 | 499,008 | 787,185 | 2,516,470 |
| Total liabilities | 29,978,352 | [2] 19,968,128 | 16,628,450 | [3] 5,738,713 | [3] 9,214,501 | [4] 11,072,120 | [4] 10,628,111 | [4] 12,465,007 | [5] 18,290,236 | [5] 20,659,481 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| CAPITAL | | | | | | | | | | |
| United States interest: | | | | | | | | | | |
| Interagency | 639,010 | 444,151 | 444,422 | 190,500 | 200,500 | 200,500 | 179,500 | 179,500 | 200,500 | 172,000 |
| Other | 25,741,337 | 21,451,391 | 26,665,196 | [3] 17,360,738 | [3] 21,550,871 | [4] 22,672,117 | [4] 23,670,019 | [4] 25,114,339 | [5] 32,413,945 | [5] 34,009,255 |
| Total United States interest | 26,380,347 | 21,895,542 | 27,109,618 | 17,551,238 | 21,751,371 | 22,872,617 | 23,849,519 | 25,293,839 | 32,614,445 | 34,181,255 |
| Private interest | 458,901 | 482,056 | 268,926 | 153,846 | 172,253 | 201,341 | 315,019 | 356,937 | 414,656 | 486,221 |
| Total capital | 26,839,248 | 22,377,598 | 27,378,544 | 17,705,085 | 21,923,624 | 23,073,959 | 24,164,537 | 25,650,776 | 33,029,101 | 34,667,477 |
| Total liabilities and capital | 56,817,600 | 42,345,726 | 44,006,994 | 23,443,798 | 31,138,124 | 34,146,079 | 34,792,648 | 38,115,784 | 51,319,337 | 55,326,957 |

[1] Adjusted to include loans made by Secretary of the Treasury.

[2] Decrease from 1945 caused in part by elimination of interagency assets and liabilities of merged RFC affiliates effective July 1, 1945, and establishment of valuation and depreciation reserves.

[3] Decrease from 1947 caused in part with respect to (1) assets: exclusion of assets of U. S. Maritime Commission and War Shipping Administration functions (latest reports available to Treasury for these agencies relating to lend-lease and UNRRA activities are as of Mar. 31, 1947, and the remainder of War Shipping Administration functions as of Feb. 28, 1947) amounting to $11,367,847 thousand and decrease of $9,365,307 thousand by cancellation (Public Law 860, approved June 30, 1948) of Treasury loans to RFC for which no assets were acquired by Treasury except right of future recoveries from nonlending net assets; (2) liabilities: exclusion of liabilities of U. S. Maritime Commission and War Shipping Administration functions (see parenthetical statement in item (1) above) amounting to $1,160,232 thousand, and decrease in RFC liabilities to Treasury of $9,365,307 thousand referred to in item (1) above; and (3) United States interest other than interagency: exclusion of proprietary interest in U. S. Maritime Commission and War Shipping Administration functions (see parenthetical statement in item (1) above) amounting to $10,207,553 thousand.

[4] See footnote 3. Reorganization Plan No. 21, effective May 24, 1950, abolished the U. S. Maritime Commission, and transferred its functions into the Department of Commerce.

[5] Includes data on maritime activities.

TABLE 77.--Balance sheets of Government corporations and certain other business-type activities as of June 30, 1954[1]

[In millions of dollars]

| | Grand total | Corporations | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Total corporations | Department of Agriculture | | Department of Commerce | Department of the Interior | Department of Justice | Export-Import Bank of Washington |
| | | | Commodity Credit Corporation | Federal Crop Insurance Corporation | Inland Waterways Corporation | Virgin Islands Corporation | Federal Prison Industries, Inc. | Regular lending activities |
| ASSETS | | | | | | | | |
| Cash on hand and in banks[2] | 99.0 | 86.3 | 11.9 | (*) | 0.8 | 0.1 | ............ | 4.9 |
| Cash with U. S. Treasury[2] | 1,132.7 | 615.7 | 22.0 | 26.5 | 2.6 | (*) | 4.6 | .1 |
| Deposits with other Government corporations and agencies | 26.7 | 26.7 | ............ | ............ | ............ | ............ | ............ | ............ |
| Loans receivable: | | | | | | | | |
| Interagency | 15,134.3 | 56.0 | 26.1 | ............ | ............ | ............ | ............ | ............ |
| Others, less reserves | 18,489.1 | 9,670.2 | [3] 2,271.6 | ............ | 8.6 | (*) | ............ | [4] 2,761.6 |
| Accounts and other receivables: | | | | | | | | |
| Interagency | 383.9 | 186.7 | 143.4 | ............ | ............ | .1 | 2.3 | (*) |
| Others, less reserves | 1,737.8 | 224.2 | 109.4 | 5.4 | (*) | .1 | (*) | 24.4 |
| Commodities, supplies, and materials, less reserves | 3,368.8 | 2,942.2 | 2,801.6 | ............ | ............ | 2.0 | 6.2 | (*) |
| Investments: | | | | | | | | |
| Public debt securities of United States | 2,911.3 | 2,653.0 | ............ | ............ | ............ | ............ | ............ | ............ |
| Obligations of Government corporations and agencies | 180.1 | 9.1 | ............ | ............ | ............ | ............ | ............ | ............ |
| Others, less reserves | 3,439.3 | 53.8 | ............ | ............ | ............ | ............ | ............ | ............ |
| Land, structures, and equipment, less reserves | 8,076.6 | 2,481.8 | 130.4 | ............ | ............ | 4.1 | 6.2 | (*) |
| Acquired security or collateral, less reserves | 126.7 | 14.6 | ............ | ............ | ............ | ............ | ............ | ............ |
| All other assets, less reserves | 220.5 | 132.0 | 18.7 | ............ | (*) | .4 | .1 | 2.2 |
| Total assets | 55,327.0 | 19,152.3 | 5,535.1 | 31.9 | 12.0 | 6.8 | 19.4 | 2,793.4 |
| LIABILITIES | | | | | | | | |
| Accounts and other payables: | | | | | | | | |
| Interagency | 266.2 | 116.2 | .3 | ............ | ............ | (*) | .1 | 22.5 |
| Others | 652.4 | [5] 444.2 | 301.8 | 2.1 | (*) | .4 | .9 | (*) |
| Trust and deposit liabilities: | | | | | | | | |
| Interagency | 203.7 | 59.9 | 13.1 | .1 | ............ | (*) | ............ | (*) |
| Others | 864.5 | 845.2 | 12.8 | (*) | ............ | (*) | ............ | .5 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Bonds, debentures, and notes payable: | | | | | | | | |
| U. S. Treasury | 12,866.1 | 5,938.1 | 4,180.0 | ... | ... | ... | ... | 1,347.0 |
| Other interagency | 2,238.0 | 2,238.0 | ... | ... | ... | ... | ... | ... |
| Others: | | | | | | | | |
| Guaranteed by United States | 80.8 | [6] .4 | ... | ... | ... | ... | ... | ... |
| Not guaranteed by United States | 971.4 | 971.4 | ... | ... | ... | ... | ... | ... |
| All other liabilities | 2,516.5 | 2,260.8 | [3] 2,019.4 | 6.9 | 1.1 | .1 | .1 | [4] 92.8 |
| Total liabilities | 20,659.5 | 12,874.0 | 6,527.4 | 9.1 | 1.1 | .6 | 1.1 | 1,462.9 |
| CAPITAL | | | | | | | | |
| United States interest: | | | | | | | | |
| Capital stock | 1,620.7 | 1,620.7 | 100.0 | 27.0 | 15.0 | ... | ... | 1,000.0 |
| Paid-in surplus | 1,260.7 | 1,260.7 | ... | ... | 12.3 | [7] 6.0 | 4.9 | ... |
| Expended appropriations | 33,414.0 | 2,104.4 | ... | 81.7 | ... | .8 | ... | ... |
| Earned surplus, or deficit (-) | -2,114.2 | 806.1 | -1,092.3 | [8] -86.0 | -16.4 | -.6 | 13.4 | 330.5 |
| Total United States interest | 34,181.3 | 5,792.0 | -992.3 | 22.8 | 10.9 | 6.2 | 18.3 | 1,330.5 |
| Private interest: | | | | | | | | |
| Capital stock | 438.5 | 438.5 | ... | ... | ... | ... | ... | ... |
| Earned surplus | 47.7 | 47.7 | ... | ... | ... | ... | ... | ... |
| Total private interest | 486.2 | 486.2 | ... | ... | ... | ... | ... | ... |
| Total capital | 34,667.5 | 6,278.2 | -992.3 | 22.8 | 10.9 | 6.2 | 18.3 | 1,330.5 |
| Total liabilities and capital | 55,327.0 | 19,152.3 | 5,535.1 | 31.9 | 12.0 | 6.8 | 19.4 | 2,793.4 |
| Contingent liabilities | 3,318.7 | 2,705.2 | 222.1 | ... | ... | .1 | ... | .6 |
| ANALYSIS OF INVESTMENT OF UNITED STATES | | | | | | | | |
| Paid-in capital and expended appropriations | 36,295.5 | 4,985.9 | 100.0 | 108.7 | 27.3 | 6.8 | 4.9 | 1,000.0 |
| Treasury loans to Government corporations and agencies[9] | 12,866.1 | 5,938.1 | 4,180.0 | ... | ... | ... | ... | 1,347.0 |
| Subtotal | 49,161.6 | 10,923.9 | 4,280.0 | 108.7 | 27.3 | 6.8 | 4.9 | 2,347.0 |
| Less total Treasury loans[10] | -12,866.1 | ... | ... | ... | ... | ... | ... | ... |
| Investment of the United States | 36,295.5 | 10,923.9 | 4,280.0 | 108.7 | 27.3 | 6.8 | 4.9 | 2,347.0 |
| Earned surplus, or deficit (-), United States share | -2,114.2 | 806.1 | -1,092.3 | -86.0 | -16.4 | -.6 | 13.4 | 330.5 |
| Book value of U. S. interest, including interagency items | 34,181.3 | 11,730.1 | 3,187.7 | 22.8 | 10.9 | 6.2 | 18.3 | 2,677.5 |
| Interagency items--net amounts due to, or from (-): | | | | | | | | |
| Government corporations | -2,275.8 | ... | (*) | ... | ... | ... | (*) | (*) |
| Government agencies reporting | 2,275.8 | 2,275.8 | -17.5 | ... | ... | ... | (*) | 22.5 |
| Government agencies not required to report | 20.8 | -139.4 | 138.8 | .1 | ... | (*) | -2.2 | (*) |
| Interagency proprietary interests | [11] -172.0 | -1.0 | ... | ... | ... | ... | ... | ... |
| Total interagency items, excluding Treasury loans to Government corporations and agencies | -151.2 | 2,135.5 | -156.3 | .1 | ... | (*) | -2.2 | 22.5 |
| Book value of United States interest, after exclusion of interagency items | 34,030.1 | 13,865.5 | 3,031.4 | 22.8 | 10.9 | 6.2 | 16.1 | 2,700.0 |

Footnotes at end of table.

TABLE 77.--Balance sheets of Government corporations and certain other business-type activities as of June 30, 1954[1]--Continued

[In millions of dollars]

| | Corporations--Continued | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Export-Import Bank of Washington--Continued | Farm Credit Administration[12] | | | | Federal Deposit Insurance Corporation | Foreign Operations Administration[13] | Housing and Home Finance Agency | |
| | | | | | | | | Home Loan Bank Board | |
| | Defense Production Act of 1950, as amended | Banks for cooperatives | Federal Farm Mortgage Corporation | Federal intermediate credit banks | Production credit corporations | | Institute of Inter-American Affairs[14] | Federal home loan banks | Federal Savings and Loan Insurance Corporation |
| ASSETS | | | | | | | | | |
| Cash on hand and in banks[2] | .......... | 21.4 | .......... | 11.3 | 0.5 | 0.2 | .......... | 27.6 | (*) |
| Cash with U. S. Treasury[2] | .......... | 1.9 | 0.8 | .2 | .1 | 2.8 | 9.1 | 12.8 | 1.3 |
| Deposits with other Government corporations and agencies | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Loans receivable: | | | | | | | | | |
| Interagency | .......... | .......... | .......... | 17.6 | .......... | .......... | .......... | .......... | .......... |
| Others, less reserves | 13.1 | 305.5 | [15] 15.9 | 773.9 | .......... | .1 | .......... | 675.1 | .......... |
| Accounts and other receivables: | | | | | | | | | |
| Interagency | .......... | (*) | .......... | (*) | .......... | (*) | 6.7 | .1 | (*) |
| Others, less reserves | .1 | 3.1 | .4 | 7.8 | .2 | 5.1 | (*) | 4.0 | 5.3 |
| Commodities, supplies, and materials, less reserves | .......... | .......... | .......... | .......... | .......... | .1 | (*) | .......... | (*) |
| Investments: | | | | | | | | | |
| Public debt securities of United States | .......... | 52.4 | .......... | 50.2 | 41.8 | 1,608.8 | .......... | 671.9 | 227.9 |
| Obligations of Government corporations and agencies | .......... | .5 | .......... | .......... | .......... | .......... | .......... | 7.6 | .......... |
| Others, less reserves | .......... | .......... | .......... | .......... | 3.6 | .......... | .......... | .......... | .......... |
| Land, structures, and equipment, less reserves | .......... | .1 | .......... | .......... | .......... | (*) | .......... | (*) | .......... |
| Acquired security or collateral, less reserves | .......... | 1.2 | (*) | .......... | .......... | 1.4 | .......... | .......... | .......... |
| All other assets, less reserves | .......... | .3 | (*) | .5 | .2 | (*) | .......... | .1 | (*) |
| Total assets | 13.2 | 386.4 | 17.1 | 861.7 | 46.3 | 1,618.4 | 15.9 | 1,399.2 | 234.6 |
| LIABILITIES | | | | | | | | | |
| Accounts and other payables: | | | | | | | | | |
| Interagency | (*) | 1.2 | (*) | .3 | (*) | (*) | .......... | .......... | 11.8 |
| Others | .......... | .8 | .1 | 4.9 | .3 | 1.6 | 15.0 | 4.5 | (*) |
| Trust and deposit liabilities: | | | | | | | | | |
| Interagency | .......... | (*) | .......... | (*) | (*) | .2 | .......... | (*) | (*) |
| Others | .......... | .1 | .1 | .9 | .1 | .2 | .......... | 819.7 | (*) |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Bonds, debentures, and notes payable: | | | | | | | | | |
| U. S. Treasury | 13.1 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Other interagency | ........ | 17.6 | ........ | 8.1 | ........ | ........ | ........ | ........ | ........ |
| Others: | | | | | | | | | |
| Guaranteed by United States | ........ | ........ | .4 | ........ | ........ | ........ | ........ | ........ | ........ |
| Not guaranteed by United States | ........ | 120.0 | ........ | 736.3 | ........ | ........ | ........ | 115.1 | ........ |
| All other liabilities | ........ | .3 | (*) | 1.3 | ........ | 119.7 | .2 | ........ | 8.4 |
| Total liabilities | 13.1 | 140.1 | .6 | 751.8 | .3 | 121.7 | 15.2 | 939.3 | 20.2 |
| CAPITAL | | | | | | | | | |
| United States interest: | | | | | | | | | |
| Capital stock | ........ | 150.0 | (*) | 60.0 | 31.7 | (16) | ........ | ........ | 17 66.8 |
| Paid-in surplus | ........ | ........ | ........ | 2.8 | ........ | ........ | 15.6 | ........ | ........ |
| Expended appropriations | ........ | ........ | ........ | ........ | ........ | ........ | 128.1 | ........ | ........ |
| Earned surplus, or deficit (-) | .1 | 70.0 | 16.5 | 47.0 | 14.3 | 18 1,496.7 | -143.0 | ........ | 19 147.6 |
| Total United States interest | .1 | 220.0 | 16.5 | 109.8 | 46.0 | 1,496.7 | .7 | ........ | 214.4 |
| Private interest: | | | | | | | | | |
| Capital stock | ........ | 20 17.9 | ........ | ........ | ........ | ........ | ........ | 420.5 | ........ |
| Earned surplus | ........ | 8.4 | ........ | ........ | ........ | ........ | ........ | 39.4 | ........ |
| Total private interest | ........ | 26.3 | ........ | ........ | ........ | ........ | ........ | 459.9 | ........ |
| Total capital | .1 | 246.3 | 16.5 | 109.8 | 46.0 | 1,496.7 | .7 | 459.9 | 214.4 |
| Total liabilities and capital | 13.2 | 386.4 | 17.1 | 861.7 | 46.3 | 1,618.4 | 15.9 | 1,399.2 | 234.6 |
| Contingent liabilities | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| ANALYSIS OF INVESTMENT OF UNITED STATES | | | | | | | | | |
| Paid-in capital and expended appropriations | ........ | 150.0 | (*) | 62.8 | 31.7 | ........ | 143.7 | ........ | 66.8 |
| Treasury loans to Government corporations and agencies[9] | 13.1 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Subtotal | 13.1 | 150.0 | (*) | 62.8 | 31.7 | ........ | 143.7 | ........ | 66.8 |
| Less total Treasury loans[10] | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Investment of the United States | 13.1 | 150.0 | (*) | 62.8 | 31.7 | ........ | 143.7 | ........ | 66.8 |
| Earned surplus, or deficit (-), United States share | .1 | 70.0 | 16.5 | 47.0 | 14.3 | 1,496.7 | -143.0 | ........ | 147.6 |
| Book value of U. S. interest, including interagency items | 13.2 | 220.0 | 16.5 | 109.8 | 46.0 | 1,496.7 | .7 | ........ | 214.4 |
| Interagency items--net amounts due to, or from (-): | | | | | | | | | |
| Government corporations | ........ | 17.2 | ........ | -9.5 | ........ | ........ | ........ | -7.7 | (*) |
| Government agencies reporting | (*) | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 1.5 |
| Government agencies not required to report | (*) | 1.2 | (*) | .2 | (*) | .2 | -6.7 | (*) | 10.2 |
| Interagency proprietary interests | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total interagency items, excluding Treasury loans to Government corporations and agencies | (*) | 18.4 | (*) | -9.3 | (*) | .2 | -6.7 | -7.7 | 11.8 |
| Book value of United States interest, after exclusion of interagency items | 13.2 | 238.4 | 16.5 | 100.6 | 46.0 | 1,496.9 | -6.0 | -7.7 | 226.2 |

Footnotes at end of table.

TABLE 77.--Balance sheets of Government corporations and certain other business-type activities as of June 30, 1954[1]--Continued

[In millions of dollars]

| | Corporations--Continued | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Housing and Home Finance Agency--Cont. | | Panama Canal Company[22] | Reconstruction Finance Corporation and certain affiliates[23] | | | In liquidation by Reconstruction Finance Corporation[23] | | Tennessee Valley Authority |
| | Office of the Administrator: Federal National Mortgage Association | Public Housing Administration[21] | | Regular lending activities | Assets held for the U. S. Treasury[24] | War Damage Corporation (in liquidation) | Defense Homes Corporation[25] | Smaller War Plants Corporation | |
| **ASSETS** | | | | | | | | | |
| Cash on hand and in banks[2] | 0.2 | (*) | 5.8 | 0.1 | 1.5 | ........ | ........ | ........ | 0.1 |
| Cash with U. S. Treasury[2] | 8.0 | 22.1 | 38.2 | 196.8 | ........ | ........ | ........ | ........ | 265.7 |
| Deposits with other Government corporations and agencies | ........ | ........ | ........ | ........ | 25.4 | 1.0 | ........ | 0.3 | ........ |
| Loans receivable: | | | | | | | | | |
| Interagency | ........ | ........ | ........ | ........ | 12.2 | ........ | ........ | ........ | ........ |
| Others, less reserves | 2,301.2 | 196.5 | ........ | [26] 346.1 | .5 | ........ | ........ | 5 | ........ |
| Accounts and other receivables: | | | | | | | | | |
| Interagency | 3.0 | ........ | .9 | .2 | 2.0 | ........ | [27] 14.2 | ........ | 13.6 |
| Others, less reserves | 9.1 | 5.9 | 3.7 | 4.9 | 26.2 | ........ | ........ | .1 | 8.7 |
| Commodities, supplies, and materials, less reserves | ........ | ........ | 13.0 | ........ | 91.3 | ........ | ........ | ........ | 28.0 |
| Investments: | | | | | | | | | |
| Public debt securities of United States | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Obligations of Government corporations and agencies | (*) | ........ | ........ | 1.0 | ........ | ........ | ........ | ........ | ........ |
| Others, less reserves | ........ | (*) | ........ | 49.0 | 1.3 | ........ | ........ | ........ | ........ |
| Land, structures, and equipment, less reserves | .2 | 127.3 | 422.5 | .3 | 161.1 | ........ | ........ | ........ | 1,629.7 |
| Acquired security or collateral, less reserves | 4.5 | ........ | ........ | 7.0 | ........ | ........ | ........ | .4 | ........ |
| All other assets, less reserves | (*) | 106.3 | .6 | ........ | 2.6 | ........ | ........ | ........ | ........ |
| Total assets | 2,326.3 | 458.1 | 484.7 | 605.3 | 324.1 | 1.0 | 14.2 | 1.3 | 1,945.9 |
| **LIABILITIES** | | | | | | | | | |
| Accounts and other payables: | | | | | | | | | |
| Interagency | 23.5 | (*) | 19.0 | 35.0 | ........ | ........ | ........ | ........ | 2.4 |
| Others | 1.0 | 16.1 | 8.9 | 20.4 | ........ | ........ | ........ | ........ | 65.3 |
| Trust and deposit liabilities: | | | | | | | | | |
| Interagency | .1 | ........ | .7 | 41.3 | ........ | ........ | ........ | ........ | 4.5 |
| Others | 7.6 | (*) | 1.0 | 1.7 | ........ | ........ | ........ | ........ | .4 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Bonds, debentures, and notes payable: | | | | | | | | | |
| U. S. Treasury | ......... | 215.0 | ......... | 154.0 | ......... | ......... | ......... | ......... | 29.0 |
| Other interagency | 2,212.2 | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Others: | | | | | | | | | |
| Guaranteed by United States | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Not guaranteed by United States | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| All other liabilities | .4 | 4.9 | 2.3 | 1.8 | ......... | ......... | ......... | ......... | 1.0 |
| Total liabilities | 2,244.8 | 236.0 | 31.9 | 254.3 | ......... | ......... | ......... | ......... | 102.6 |
| CAPITAL | | | | | | | | | |
| United States interest: | | | | | | | | | |
| Capital stock | 20.0 | 1.0 | ......... | 100.0 | ......... | 1.0 | 10.0 | 38.2 | ......... |
| Paid-in surplus | 1.0 | 222.0 | 377.8 | ......... | 573.0 | ......... | ......... | ......... | 45.3 |
| Expended appropriations | ......... | 196.7 | ......... | ......... | ......... | ......... | ......... | ......... | 1,697.0 |
| Earned surplus, or deficit (-) | 60.4 | -197.6 | 75.0 | 251.0 | -248.9 | ......... | 4.2 | -36.9 | [28] 101.0 |
| Total United States interest | 81.4 | 222.1 | 452.8 | 351.0 | 324.1 | 1.0 | 14.2 | 1.3 | 1,843.4 |
| Private interest: | | | | | | | | | |
| Capital stock | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Earned surplus | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Total private interest | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Total capital | 81.4 | 222.1 | 452.8 | 351.0 | 324.1 | 1.0 | 14.2 | 1.3 | 1,843.4 |
| Total liabilities and capital | 2,326.3 | 458.1 | 484.7 | 605.3 | 324.1 | 1.0 | 14.2 | 1.3 | 1,945.9 |
| Contingent liabilities | 28.4 | 2,426.1 | ......... | 27.9 | ......... | ......... | ......... | ......... | ......... |
| ANALYSIS OF INVESTMENT OF UNITED STATES | | | | | | | | | |
| Paid-in capital and expended appropriations | 21.0 | 419.7 | 377.8 | 100.0 | 573.0 | 1.0 | 10.0 | 38.2 | 1,742.4 |
| Treasury loans to Government corporations and agencies[9] | ......... | 215.0 | ......... | 154.0 | ......... | ......... | ......... | ......... | 29.0 |
| Subtotal | 21.0 | 634.7 | 377.8 | 254.0 | 573.0 | 1.0 | 10.0 | 38.2 | 1,771.4 |
| Less total Treasury loans[10] | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Investment of the United States | 21.0 | 634.7 | 377.8 | 254.0 | 573.0 | 1.0 | 10.0 | 38.2 | 1,771.4 |
| Earned surplus, or deficit (-), United States share | 60.4 | -197.6 | 75.0 | 251.0 | -248.9 | ......... | 4.2 | -36.9 | 101.0 |
| Book value of U. S. interest, including interagency items | 81.4 | 437.1 | 452.8 | 505.0 | 324.1 | 1.0 | 14.2 | 1.3 | 1,872.4 |
| Interagency items--net amounts due to, or from (-): | | | | | | | | | |
| Government corporations | (*) | ......... | ......... | 41.0 | -25.4 | -1.0 | -14.2 | -.3 | (*) |
| Government agencies reporting | 2,235.6 | ......... | ......... | 34.3 | -.8 | ......... | ......... | ......... | .3 |
| Government agencies not required to report | -2.8 | (*) | 18.8 | .8 | -13.5 | ......... | ......... | ......... | -7.1 |
| Interagency proprietary interests | ......... | ......... | ......... | -1.0 | ......... | ......... | ......... | ......... | ......... |
| Total interagency items, excluding Treasury loans to Government corporations and agencies | 2,232.8 | (*) | 18.8 | 75.1 | -39.7 | -1.0 | -14.2 | -.3 | -6.8 |
| Book value of United States interest, after exclusion of interagency items | 2,314.2 | 437.1 | 471.6 | 580.1 | 284.4 | ......... | ......... | 1.0 | 1,865.6 |

Footnotes at end of table.

TABLE 77.--Balance sheets of Government corporations and certain other business-type activities as of June 30, 1954[1]--Continued

[In millions of dollars]

| | Certain other business-type activities | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Total | Department of Agriculture | | | Department of the Army | Department of Commerce | Department of Health, Education, and Welfare | Department of the Interior[30] | Department of the Treasury |
| | | Farmers' Home Administration | Disaster loans, etc., Revolving Fund, Farmers' Home Administration | Rural Electrification Administration | Guaranteed loans (World War II) | Federal Maritime Board and Maritime Administration[29] | Office of Education: Loans to students | | Miscellaneous loans and certain other assets |
| ASSETS | | | | | | | | | |
| Cash on hand and in banks[2] | 12.8 | 0.1 | 2.7 | 0.1 | ........ | 3.0 | ........ | 0.1 | ........ |
| Cash with U. S. Treasury[2] | 517.0 | 14.1 | ........ | 21.8 | ........ | 149.7 | ........ | (*) | ........ |
| Deposits with other Government corporations and agencies | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Loans receivable: | | | | | | | | | |
| Interagency | 15,078.3 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | [31] 12,866.1 |
| Others, less reserves | 8,819.0 | 559.4 | 89.1 | 2,161.1 | 5.2 | ........ | 0.8 | 14.1 | [32] 3,649.0 |
| Accounts and other receivables: | | | | | | | | | |
| Interagency | 197.2 | (*) | ........ | ........ | ........ | 7.2 | ........ | ........ | 141.0 |
| Others, less reserves | 1,513.6 | 24.4 | 1.8 | 98.3 | ........ | 353.5 | .2 | .1 | [33] 1,000.0 |
| Commodities, supplies, and materials, less reserves | 426.6 | ........ | ........ | ........ | ........ | 45.2 | ........ | (*) | ........ |
| Investments: | | | | | | | | | |
| Public debt securities of United States | 258.3 | 1.2 | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Obligations of Government corporations and agencies | 171.0 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Others, less reserves | 3,385.5 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 3,385.0 |
| Land, structures, and equipment, less reserves | 5,594.8 | .1 | ........ | .5 | ........ | 4,828.8 | ........ | 1.3 | ........ |
| Acquired security or collateral, less reserves | 112.1 | 1.1 | (*) | ........ | ........ | ........ | ........ | ........ | ........ |
| All other assets, less reserves | 88.5 | .7 | .1 | ........ | ........ | 1.1 | ........ | ........ | ........ |
| Total assets | 36,174.7 | 601.1 | 93.7 | 2,281.9 | 5.2 | 5,388.5 | 1.0 | 15.6 | 21,041.0 |
| LIABILITIES | | | | | | | | | |
| Accounts and other payables: | | | | | | | | | |
| Interagency | 150.0 | ........ | ........ | (*) | ........ | 42.6 | ........ | ........ | ........ |
| Others | 208.2 | (*) | 2.5 | .6 | ........ | 160.4 | ........ | (*) | ........ |
| Trust and deposit liabilities: | | | | | | | | | |
| Interagency | 143.8 | .6 | ........ | .2 | ........ | .5 | .2 | .1 | 141.0 |
| Others | 19.4 | 1.3 | ........ | (*) | ........ | 2.5 | ........ | (*) | ........ |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Bonds, debentures, and notes payable: | | | | | | | | | |
| U. S. Treasury | 6,928.0 | 172.4 | ........ | 2,091.1 | ........ | ........ | ........ | ........ | ........ |
| Other interagency | (*) | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Others: | | | | | | | | | |
| Guaranteed by United States | 80.4 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Not guaranteed by United States | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| All other liabilities | 255.7 | .3 | (*) | (*) | ........ | 13.0 | ........ | ........ | ........ |
| Total liabilities | 7,785.4 | 174.6 | 2.5 | 2,092.0 | ........ | 219.0 | .2 | .2 | 141.0 |
| CAPITAL | | | | | | | | | |
| United States interest: | | | | | | | | | |
| Capital stock | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Paid-in surplus | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Expended appropriations | 31,309.6 | 542.7 | 154.6 | 224.9 | 5.2 | [34] 5,169.5 | 1.0 | 73.7 | [35] 20,900.0 |
| Earned surplus, or deficit (-) | -2,920.4 | -116.1 | -63.4 | -35.1 | ........ | ........ | -.2 | -58.3 | ........ |
| Total United States interest | 28,389.3 | 426.6 | 91.2 | 189.9 | 5.2 | 5,169.5 | .8 | 15.5 | 20,900.0 |
| Private interest: | | | | | | | | | |
| Capital stock | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Earned surplus | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total private interest | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total capital | 28,389.3 | 426.6 | 91.2 | 189.9 | 5.2 | 5,169.5 | .8 | 15.5 | 20,900.0 |
| Total liabilities and capital | 36,174.7 | 601.1 | 93.7 | 2,281.9 | 5.2 | 5,388.5 | 1.0 | 15.6 | 21,041.0 |
| Contingent liabilities | 613.5 | 62.5 | ........ | ........ | ........ | .3 | ........ | ........ | ........ |
| ANALYSIS OF INVESTMENT OF UNITED STATES | | | | | | | | | |
| Paid-in capital and expended appropriations | 31,309.6 | 542.7 | 154.6 | 224.9 | 5.2 | 5,169.5 | 1.0 | 73.7 | 20,900.0 |
| Treasury loans to Government corporations and agencies[9] | 6,928.0 | 172.4 | ........ | 2,091.1 | ........ | ........ | ........ | ........ | ........ |
| Subtotal | 38,237.6 | 715.1 | 154.6 | 2,316.1 | 5.2 | 5,169.5 | 1.0 | 73.7 | 20,900.0 |
| Less total Treasury loans[10] | -12,866.1 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | -12,866.1 |
| Investment of the United States | 25,371.6 | 715.1 | 154.6 | 2,316.1 | 5.2 | 5,169.5 | 1.0 | 73.7 | 8,034.0 |
| Earned surplus, or deficit (-), United States share | -2,920.4 | -116.1 | -63.4 | -35.1 | ........ | ........ | -.2 | -58.3 | ........ |
| Book value of U. S. interest, including interagency items | 22,451.2 | 598.9 | 91.2 | 2,281.0 | 5.2 | 5,169.5 | .8 | 15.5 | 8,034.0 |
| Interagency items--net amounts due to, or from (-): | | | | | | | | | |
| Government corporations | -2,275.8 | ........ | ........ | ........ | ........ | (*) | ........ | ........ | -58.7 |
| Government agencies reporting | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | -82.3 |
| Government agencies not required to report | 160.2 | .6 | ........ | .2 | ........ | 35.9 | .2 | .1 | 141.0 |
| Interagency proprietary interests | -171.0 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total interagency items, excluding Treasury loans to Government corporations and agencies | -2,286.7 | .6 | ........ | .2 | ........ | 35.9 | .2 | .1 | ........ |
| Book value of United States interest, after exclusion of interagency items | 20,164.5 | 599.5 | 91.2 | 2,281.2 | 5.2 | 5,205.4 | 1.0 | 15.6 | 8,034.0 |

Footnotes at end of table.

TABLE 77. --Balance sheets of Government corporations and certain other business-type activities as of June 30, 1954[1]--Continued

[In millions of dollars]

| | Certain other business-type activities--Continued | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Department of the Treasury--Continued | Farm Credit Administration | | General Services Administration | Housing and Home Finance Agency[38] | | | | | |
| | Federal Civil Defense Act of 1950, as amended[36] | Agricultural Marketing Act | Foreign Operations Administration[37] | Public Works Administration (in liquidation) | Federal Housing Administration | Office of the Administrator[39] | Public Housing Administration[40] | Small Business Administration | Veterans' Administration[41] | Defense Production Act of 1950, as amended[42] |
| ASSETS | | | | | | | | | | |
| Cash on hand and in banks[2] | ... | ... | ... | ... | ... | ... | 1.5 | 1.0 | 2.8 | 1.5 |
| Cash with U. S. Treasury[2] | (*) | ... | 9.0 | ... | 134.7 | 14.7 | 47.3 | (*) | 83.2 | 42.5 |
| Deposits with other Government corporations and agencies | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Loans receivable: | | | | | | | | | | |
| Interagency | ... | ... | ... | ... | ... | [43] 2,212.2 | ... | ... | ... | ... |
| Others, less reserves | 2.2 | 0.1 | 1,543.5 | 85.6 | 42.8 | 96.9 | 54.4 | 2.2 | 348.9 | 163.8 |
| Accounts and other receivables: | | | | | | | | | | |
| Interagency | ... | ... | ... | ... | (*) | 23.5 | .6 | ... | (*) | 24.9 |
| Others, less reserves | (*) | ... | .4 | .8 | 5.4 | 1.5 | 5.5 | (*) | 11.0 | 10.6 |
| Commodities, supplies, and materials, less reserves | ... | ... | ... | ... | ... | ... | ... | ... | 2.9 | 378.5 |
| Investments: | | | | | | | | | | |
| Public debt securities of United States | ... | ... | ... | ... | 257.1 | ... | ... | ... | ... | ... |
| Obligations of Government corporations and agencies | ... | 150.0 | ... | ... | ... | 21.0 | ... | ... | ... | ... |
| Others, less reserves | ... | ... | ... | ... | .5 | ... | ... | ... | ... | ... |
| Land, structures, and equipment, less reserves | ... | ... | ... | .3 | .9 | 19.3 | 695.9 | ... | 2.6 | 45.0 |
| Acquired security or collateral, less reserves | ... | (*) | ... | ... | 99.6 | (*) | ... | ... | 11.4 | (*) |
| All other assets, less reserves | ... | ... | ... | ... | .1 | 2.7 | .5 | ... | (*) | 83.4 |
| Total assets | 2.2 | 150.1 | 1,552.8 | 86.8 | 541.1 | 2,391.8 | 805.6 | 3.2 | 462.9 | 750.2 |
| LIABILITIES | | | | | | | | | | |
| Accounts and other payables: | | | | | | | | | | |
| Interagency | (*) | ... | 48.5 | ... | (*) | 24.4 | .1 | ... | 3.1 | 31.2 |
| Others | ... | ... | ... | ... | 6.9 | (*) | 6.0 | .2 | 1.2 | 30.3 |
| Trust and deposit liabilities: | | | | | | | | | | |
| Interagency | ... | ... | ... | ... | 1.0 | ... | ... | ... | .1 | ... |
| Others | ... | ... | ... | ... | 9.0 | ... | .9 | (*) | 5.0 | .7 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Bonds, debentures, and notes payable: | | | | | | | | | | |
| U. S. Treasury | 2.1 | ... | 1,202.8 | ... | ... | 2,335.5 | ... | ... | 363.7 | 760.3 |
| Other interagency | ... | ... | ... | ... | (*) | ... | ... | ... | ... | ... |
| Others: | | | | | | | | | | |
| Guaranteed by United States | ... | ... | ... | ... | 80.4 | ... | ... | ... | ... | ... |
| Not guaranteed by United States | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| All other liabilities | ... | ... | 6.8 | ... | [44] 217.5 | .6 | .4 | (*) | .2 | 16.8 |
| Total liabilities | 2.2 | ... | 1,258.1 | ... | 314.8 | 2,360.5 | 7.5 | .2 | 373.3 | 839.4 |
| CAPITAL | | | | | | | | | | |
| United States interest: | | | | | | | | | | |
| Capital stock | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Paid-in surplus | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Expended appropriations | ... | 464.3 | 345.5 | 1,673.3 | 15.2 | 73.0 | 1,565.7 | 4.5 | 83.1 | 13.4 |
| Earned surplus, or deficit (-) | (*) | -314.1 | -50.8 | -1,586.5 | 211.1 | -41.7 | -767.6 | -1.5 | 6.5 | -102.6 |
| Total United States interest | (*) | 150.1 | 294.7 | 86.8 | 226.3 | 31.3 | 798.1 | 3.0 | 89.5 | -89.2 |
| Private interest: | | | | | | | | | | |
| Capital stock | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Earned surplus | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Total private interest | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Total capital | (*) | 150.1 | 294.7 | 86.8 | 226.3 | 31.3 | 798.1 | 3.0 | 89.5 | -89.2 |
| Total liabilities and capital | 2.2 | 150.1 | 1,552.8 | 86.8 | 541.1 | 2,391.8 | 805.6 | 3.2 | 462.9 | 750.2 |
| Contingent liabilities | 1.2 | ... | ... | ... | 3.0 | ... | ... | 2.2 | ... | 544.3 |
| ANALYSIS OF INVESTMENT OF UNITED STATES | | | | | | | | | | |
| Paid-in capital and expended appropriations | ... | 464.3 | 345.5 | 1,673.3 | 15.2 | 73.0 | 1,565.7 | 4.5 | 83.1 | 13.4 |
| Treasury loans to Government corporations and agencies[9] | 2.1 | ... | 1,202.8 | ... | ... | 2,335.5 | ... | ... | 363.7 | 760.3 |
| Subtotal | 2.1 | 464.3 | 1,548.3 | 1,673.3 | 15.2 | 2,408.5 | 1,565.7 | 4.5 | 446.8 | 773.7 |
| Less total Treasury loans[10] | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Investment of the United States | 2.1 | 464.3 | 1,548.3 | 1,673.3 | 15.2 | 2,408.5 | 1,565.7 | 4.5 | 446.8 | 773.7 |
| Earned surplus, or deficit (-), United States share | (*) | -314.1 | -50.8 | -1,586.5 | 211.1 | -41.7 | -767.6 | -1.5 | 6.5 | -102.6 |
| Book value of U. S. interest, including interagency items | 2.2 | 150.1 | 1,497.5 | 86.8 | 226.3 | 2,366.8 | 798.1 | 3.0 | 453.3 | 671.1 |
| Interagency items--net amounts due to, or from (-): | | | | | | | | | | |
| Government corporations | (*) | ... | ... | ... | .2 | -2,235.7 | ... | ... | ... | 18.3 |
| Government agencies reporting | (*) | ... | 48.5 | ... | ... | 24.4 | ... | ... | 3.1 | 6.3 |
| Government agencies not required to report | ... | ... | ... | ... | .8 | ... | -.5 | ... | .1 | -18.3 |
| Interagency proprietary interests | ... | -150.0 | ... | ... | ... | -21.0 | ... | ... | ... | ... |
| Total interagency items, excluding Treasury loans to Government corporations and agencies | (*) | -150.0 | 48.5 | ... | 1.0 | -2,232.3 | -.5 | ... | 3.2 | 6.4 |
| Book value of United States interest, after exclusion of interagency items | 2.2 | .1 | 1,546.0 | 86.8 | 227.3 | 134.4 | 797.7 | 3.0 | 456.5 | 677.5 |

Footnotes at end of table.

Footnotes for table 77.

*Less than $50,000.

[1] On basis of reports received from the Government corporations and other business-type activities. For quarterly statements see the "Treasury Bulletin."

[2] Excludes unexpended balances of appropriated funds.

[3] Includes $2,007.5 million guaranteed loans and certificates of interest held by lending agencies.

[4] Includes $89.5 million guaranteed loans held by lending agencies.

[5] Includes matured interest amounting to $.1 million for which cash has been deposited with the Treasurer of the United States.

[6] Represents matured obligations for which cash has been deposited with the Treasurer of the United States.

[7] Includes $5.0 million advanced from a revolving fund which has been established by appropriations.

[8] Includes deficit resulting from administrative expenses amounting to $83.8 million.

[9] Shown above as a liability of each Government corporation or other business-type activity.

[10] Shown as "Loans receivable" of the U. S. Treasury, under "Certain other business-type activities."

[11] Represents Agricultural Marketing Act revolving fund, Housing and Home Finance Administrator, and Reconstruction Finance Corporation proprietary interests in Government corporations.

[12] In accordance with the act approved Aug. 6, 1953 (67 Stat. 390), the Farm Credit Administration was transferred from the Department of Agriculture and designated as an independent agency, effective Dec. 4, 1953.

[13] This Administration superseded the Mutual Security Agency, effective Aug. 1, 1953, pursuant to Reorganization Plan No. 7 of 1953, and Executive Order No. 10476 of August 1, 1953.

[14] This Corporation, formerly shown under the Department of State, was transferred to the Foreign Operations Administration pursuant to Reorganization Plan No. 7 of 1953, effective Aug. 1, 1953. In accordance with the act approved Aug. 26, 1954 (68 Stat. 862), this Corporation shall, on and after July 1, 1954, be subject to the applicable provisions of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 1), in lieu of the provisions of the Government Corporation Control Act, as amended (31 U.S.C. 841).

[15] Includes real estate sales contracts.

[16] The final repayment of capital stock was covered into miscellaneous receipts of the U. S. Treasury on Aug. 31, 1948.

[17] Adjusted to give effect to provision for retirement of capital stock of $10.2 million, which was deposited into miscellaneous receipts of the U. S. Treasury in July 1954.

[18] The surplus is not available by law for dividend distribution and is considered by the Corporation as a reserve for future deposit insurance losses and related expenses with respect to insured banks.

[19] The surplus is considered by the Corporation as available for future insurance losses and related expenses with respect to insured institutions.

[20] Includes $.1 million deposits to "Guaranty Fund."

[21] Represents activities under the U. S. Housing Act, as amended. War housing and other operations of the Administration are shown under "Certain other business-type activities."

[22] The balance sheet is subject to substantial change pending establishment of a complete plant inventory and appraisal of net assets transferred from the Panama Canal to the Company.

[23] On Sept. 29, 1953, pursuant to the act approved July 30, 1953 (67 Stat. 230), the Reconstruction Finance Corporation started liquidation of its activities, except those carried on by the Corporation pursuant to Section 409 of the Federal Civil Defense Act of 1950 (64 Stat. 1257), and those carried on pursuant to the Defense Production Act of 1950, as amended (50 U.S.C. App. 2091-2094), which were transferred to the Secretary of the Treasury as of Sept. 28, 1953, and as of the close of business on Sept. 28, 1953, respectively. On July 1, 1954, the Secretary of the Treasury assumed the responsibility of completing the liquidation of certain activities of the Corporation, as provided in the act approved July 30, 1953. Pursuant to Reorganization Plan No. 2 of 1954, effective at the close of business June 30, 1954, certain loans, securities, and other assets of the Corporation were transferred to the Export-Import Bank of Washington, the Federal National Mortgage Association, and the Small Business Administration.

[24] Represents assets held for the U. S. Treasury in accordance with provisions of the act approved June 30, 1948 (62 Stat. 1187-1188), which provided for cancellation of Reconstruction Finance Corporation notes in the amount of $9,313.7 million, plus interest accrued thereon subsequent to June 30, 1947, representing unrecovered costs to the Corporation as of June 30, 1947, in its national defense, war, and reconversion activities, and stipulated that any amounts recovered by the Corporation with respect to these activities subsequent to June 30, 1947, should, after deduction of related expenses, be deposited in the U. S. Treasury as miscellaneous receipts. The national defense, war, and reconversion activities consist of the synthetic rubber, tin, and abaca programs, and liquidating activities relating principally to the rental and disposal of World War II defense plants and facilities, the settlement of claims, and collection of receivables. In accordance with Executive Order No. 10539, dated June 22, 1954, the President authorized and directed the Secretary of the Treasury to cause to be organized a corporation under the authority and subject to the provisions of Section 10 of the Rubber Act of 1948, as amended (50 U.S.C. App. 1929). The corporation is known as the Federal Facilities Corporation. By Executive Order No. 10539, the President transferred the synthetic rubber and tin programs to the Federal Facilities Corporation, and the abaca fiber program to the General Services Administration, all effective at the close of business on June 30, 1954. On the same date, the Secretary of the Treasury took over the responsibility of liquidating the World War II assets, with the exception of the World War II assets which were transferred to the Export-Import Bank of Washington in accordance with Reorganization Plan No. 2 of 1954.

[25] The equity of the Reconstruction Finance Corporation in the net assets of this Corporation was transferred to the Federal National Mortgage Association effective at the close of business June 30, 1954, pursuant to Reorganization Plan No. 2 of 1954.

[26] Includes loans for national defense.

[27] Represents excess of unliquidated assets over liabilities transferred to the Reconstruction Finance Corporation (see footnote 25).

[28] Consists of net income from power operations of $253.9 million and net expense of nonincome-producing programs of $152.9 million.

[29] Figures in this column are shown on a preliminary basis.

[30] Consists of Indian loans and Puerto Rico Reconstruction Administration (in liquidation). In accordance with the act approved Aug. 15, 1953 (67 Stat. 584), the Secretary of the Interior was authorized and directed to start liquidation of the Administration.

[31] Represents obligations of Government corporations and other business-type activities as shown under "Bonds, debentures, and notes payable--U. S. Treasury."

[32] Includes $3,614.3 million loan to the United Kingdom. Partial repayments were made on Dec. 31, 1951, Dec. 31, 1952, and Dec. 31, 1953, aggregating $135.7 million.

[33] Includes $1,000 million due under the agreement with Germany signed Feb. 27, 1953.

[34] Represents expended appropriations and excess of income or expense. Figures representing each of the two amounts are not available at this time.

[35] Includes subscriptions to the International Monetary Fund and Bank and loan to the United Kingdom (see footnote 32).

[36] Transferred from the Reconstruction Finance Corporation (see footnote 23).

[37] Consists of guaranty program and loan program (see footnote 13).

[38] Liquidation of the Home Loan Bank Board: HOLC liquidation unit, shown under this heading in tables 78 and 79, was completed during the fiscal year 1954.

[39] Consists of Alaska housing program, community facilities service, housing loans for educational institutions, investment in the Federal National Mortgage Association, prefabricated housing loans program, and slum clearance program. The revolving fund for development of isolated defense sites, included under this heading in table 79, was terminated during the fiscal year 1954. In accordance with the act approved June 24, 1954 (68 Stat. 295), a revolving fund was established, effective July 1, 1954, for use in connection with the liquidation of the Alaska housing program, the community facilities service, and the prefabricated housing loans program. Pursuant to the act approved Aug. 2, 1954 (68 Stat. 622), the functions of the Housing and Home Finance Administrator, including the function of making payments to the Secretary of the Treasury, under Section 2 of Reorganization Plan No. 22 of 1950, together with the notes and capital stock of the Federal National Mortgage Association held by the Administrator were transferred to the Federal National Mortgage Association.

[40] Consists of Farm Security Administration program, public war housing program, and veterans' re-use housing program. In accordance with the act approved June 24, 1954 (68 Stat. 295), a revolving fund was established, effective July 1, 1954, for use in connection with the liquidation of these programs.

[41] Consists of guaranteed loans to veterans, veterans' canteen service, and veterans' direct loan program.

[42] Consists of Atomic Energy Commission, General Services Administration, and Departments of Agriculture, the Air Force, the Army, Commerce, the Interior, the Navy, and the Treasury. The Defense Materials Procurement Agency, formerly included under this heading, was abolished, and its activities were transferred to the General Services Administration in accordance with Executive Order No. 10480 of Aug. 14, 1953. The activities carried on by the Department of the Treesury were transferred from the Reconstruction Finance Corporation (see footnote 23).

[43] Represents advances made by the Administrator to the Federal National Mortgage Association. Funds for such advances were borrowed by the Administrator from the U. S. Treasury.

[44] Includes $127.8 million reserves for contingent losses, expenses, and other charges.

TABLE 78.--Income and expense of Government corporations and certain other business-type activities, fiscal year 1954[1]

[In thousands of dollars]

| | Grand total | Total corporations | Corporations: Department of Agriculture | | Department of Commerce | Department of the Interior | Department of Justice | Export-Import Bank of Washington |
|---|---|---|---|---|---|---|---|---|
| | | | Commodity Credit Corporation | Federal Crop Insurance Corporation | Inland Waterways Corporation | Virgin Islands Corporation | Federal Prison Industries, Inc. | Regular lending activities |
| Income: | | | | | | | | |
| Sale of commodities and supplies | 1,827,149 | 1,700,197 | 1,212,658 | ... | ... | 1,349 | 20,669 | ... |
| Sale of services | 251,436 | 189,097 | ... | ... | ... | 501 | ... | ... |
| Rents and royalties | 69,179 | 8,132 | ... | ... | 2 | 58 | ... | ... |
| Interest and dividends: | | | | | | | | |
| Interest on loans | 803,165 | 284,471 | 10,071 | ... | 339 | ... | ... | 86,604 |
| Interest on public debt securities | 62,923 | 55,029 | ... | ... | ... | ... | ... | ... |
| Interest, other | 32,221 | 7,636 | 6,236 | 163 | ... | ... | ... | ... |
| Dividends | 69,353 | 1,069 | ... | ... | ... | ... | ... | ... |
| Guaranty and insurance premiums | 237,791 | 111,040 | ... | 27,090 | ... | ... | ... | ... |
| Other income: | | | | | | | | |
| Gains on sale of fixed assets | 3,053 | 3,053 | 5 | ... | ... | 93 | ... | ... |
| Gains on sale of investments | 1,062 | 902 | ... | ... | ... | ... | ... | ... |
| Gains on sale of acquired security or collateral | 17,035 | 439 | ... | ... | ... | ... | ... | ... |
| Other | 35,790 | 28,365 | 17,837 | 215 | 179 | 154 | 147 | 2 |
| Total income | 3,410,157 | 2,389,431 | 1,246,806 | 27,468 | 520 | 2,154 | 20,815 | 86,605 |
| Expense: | | | | | | | | |
| Cost of commodities and supplies sold | 2,263,095 | 2,124,702 | 1,711,749 | ... | ... | 1,484 | 17,085 | ... |
| Direct operating costs | 258,374 | 156,649 | ... | ... | ... | 648 | 405 | ... |
| Interest expense: | | | | | | | | |
| On borrowings from the U. S. Treasury | 277,789 | 142,653 | [2] 90,846 | ... | ... | [3] 140 | ... | 28,144 |
| Other | 91,634 | 91,123 | ... | ... | ... | ... | ... | ... |
| Administrative expenses | 153,103 | 67,255 | 19,764 | 6,716 | 22 | 127 | 338 | 1,053 |
| Depreciation (not included in cost of sales or direct operating costs) | 10,240 | 7,034 | 405 | ... | ... | 323 | ... | 8 |
| Grants, subsidies, and contributions: | | | | | | | | |
| Direct | 235,176 | 68,037 | 108 | ... | ... | ... | ... | ... |
| Indirect | ... | ... | ... | ... | ... | ... | ... | ... |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Guaranty and insurance losses | 31,060 | 31,060 | ... | 31,060 | ... | ... | ... | ... |
| Other expenses | 111,106 | 62,648 | 10,357 | 2 | 171 | ... | 626 | 14 |
| Losses and charge-offs: | | | | | | | | |
| Loans charged off | 14,989 | 1,635 | 1,518 | ... | ... | ... | ... | ... |
| Other assets charged off | 14,395 | 1,430 | 562 | 375 | 2 | ... | ... | ... |
| Losses on sale of fixed assets | 72,768 | 4,382 | ... | ... | 2,958 | ... | ... | ... |
| Losses on sale of investments | 781 | 391 | ... | ... | ... | ... | ... | ... |
| Losses on sale of acquired security or collateral | 8,020 | 8 | ... | ... | ... | ... | ... | ... |
| Direct charges to operating reserves | ... | ... | ... | ... | ... | ... | ... | ... |
| Other | 72,640 | 1,796 | ... | ... | ... | ... | ... | ... |
| Total expense | 3,615,170 | 2,760,804 | 1,835,308 | 38,153 | 3,153 | 2,722 | 18,454 | 29,220 |
| Net income, or loss (-), before adjustment of valuation and operating reserves | -205,013 | -371,373 | -588,502 | -10,685 | -2,633 | -568 | 2,362 | 57,385 |
| Adjustments of valuation and operating reserves: | | | | | | | | |
| Reserve for losses on loans | -33,261 | -34,032 | -32,638 | ... | ... | ... | ... | 3 |
| Reserve for losses on acquired security or collateral | -32,123 | 715 | ... | ... | ... | ... | ... | ... |
| Reserve for losses on fixed assets | -1,849 | 207 | ... | ... | ... | ... | ... | ... |
| Reserve for losses on commodities and supplies | -389,432 | -389,432 | -389,432 | ... | ... | ... | ... | ... |
| Operating reserves | 7,880 | 207 | ... | ... | ... | ... | ... | ... |
| Other reserves | 19,697 | 12,546 | 9,443 | 104 | ... | ... | ... | ... |
| Net adjustment of valuation and operating reserves | -429,088 | -409,789 | -412,627 | 104 | ... | ... | ... | 3 |
| Net income, or loss (-) | -634,101 | -781,162 | -1,001,129 | -10,581 | -2,633 | -568 | 2,362 | 57,388 |
| Changes in unreserved earned surplus or deficit: | | | | | | | | |
| Unreserved earned surplus, or deficit (-), June 30, 1953 | [r] -3,640,432 | [r] -887,269 | -737,535 | -75,389 | -13,756 | -970 | 13,762 | ... |
| Net income, or loss (-), for the fiscal year 1954 | [4] -519,260 | -781,162 | -1,001,129 | -10,581 | -2,633 | -568 | 2,362 | 57,388 |
| Transfers to surplus reserves | -148,699 | -148,699 | ... | ... | ... | ... | ... | -34,905 |
| Transfers from surplus reserves | 23,200 | 23,200 | ... | ... | ... | ... | ... | ... |
| Distribution of profits: | | | | | | | | |
| Treasurer's account--deposit of earnings | -421,910 | ... | ... | ... | ... | ... | ... | ... |
| Dividends | -75,037 | -75,037 | ... | ... | ... | ... | -2,750 | -22,500 |
| Other | -5,717 | -1,456 | ... | ... | ... | ... | ... | 17 |
| Prior year adjustments | 629,939 | 643,576 | 646,357 | ... | ... | 923 | ... | ... |
| Unreserved earned surplus, or deficit (-), June 30, 1954 | -4,157,917 | -1,226,847 | -1,092,306 | -85,970 | -16,390 | -615 | 13,373 | ... |

Footnotes at end of following table.

TABLE 78.--Income and expense of Government corporations and certain other business-type activities, fiscal year 1954[1]--Continued

[In thousands of dollars]

| | Corporations--Continued | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Export-Import Bank of Washington--Continued | Farm Credit Administration[5] | | | | Federal Deposit Insurance Corporation | Foreign Operations Administration[6] | Housing and Home Finance Agency: Home Loan Bank Board | |
| | Defense Production Act of 1950, as amended | Banks for cooperatives | Federal Farm Mortgage Corporation | Federal intermediate credit banks | Production credit corporations | | Institute of Inter-American Affairs[7] | Federal home loan banks | Federal Savings and Loan Insurance Corporation |
| Income: | | | | | | | | | |
| Sale of commodities and supplies | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Sale of services | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Rents and royalties | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Interest and dividends: | | | | | | | | | |
| Interest on loans | 315 | 12,301 | 931 | 19,849 | ........ | 11 | ........ | 20,797 | ........ |
| Interest on public debt securities | ........ | 1,059 | ........ | 1,332 | 1,096 | 35,879 | ........ | 10,466 | 5,197 |
| Interest, other | ........ | (*) | ........ | 13 | 1 | 3 | ........ | ........ | ........ |
| Dividends | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Guaranty and insurance premiums | ........ | ........ | ........ | ........ | ........ | 60,817 | ........ | ........ | 15,923 |
| Other income: | | | | | | | | | |
| Gains on sale of fixed assets | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 5 | (*) |
| Gains on sale of investments | ........ | 27 | ........ | 70 | 20 | ........ | ........ | 456 | 329 |
| Gains on sale of acquired security or collateral | ........ | 3 | 435 | ........ | ........ | 1 | ........ | ........ | ........ |
| Other | ........ | 190 | 4 | 7 | 103 | 381 | ........ | 110 | 20 |
| Total income | 315 | 13,580 | 1,370 | 21,270 | 1,220 | 97,091 | ........ | 31,835 | 21,470 |
| Expense: | | | | | | | | | |
| Cost of commodities and supplies sold | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Direct operating costs | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Interest expense: | | | | | | | | | |
| On borrowings from the U. S. Treasury | 170 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | [8] 1,546 |
| Other | ........ | 4,165 | 9 | 17,285 | ........ | ........ | ........ | 18,248 | ........ |
| Administrative expenses | 7 | 2,114 | 692 | 1,659 | 1,447 | 7,477 | -1 | 1,813 | 441 |
| Depreciation (not included in cost of sales or direct operating costs) | ........ | 1 | ........ | ........ | ........ | ........ | ........ | ........ | 4 |
| Grants, subsidies, and contributions: | | | | | | | | | |
| Direct | ........ | ........ | ........ | ........ | ........ | ........ | 23,441 | ........ | 16 |
| Indirect | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Guaranty and insurance losses | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Other expenses | ......... | ......... | 48 | 349 | 255 | 9 | ......... | 531 | 300 |
| Losses and charge-offs: | | | | | | | | | |
| Loans charged off | ......... | 27 | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Other assets charged off | ......... | 21 | ......... | (*) | ......... | ......... | ......... | ......... | ......... |
| Losses on sale of fixed assets | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Losses on sale of investments | ......... | ......... | ......... | 1 | 82 | ......... | ......... | 14 | 293 |
| Losses on sale of acquired security or collateral | ......... | ......... | ......... | ......... | ......... | 8 | ......... | ......... | ......... |
| Direct charges to operating reserves | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Other | ......... | ......... | ......... | ......... | ......... | -7 | ......... | ......... | ......... |
| Total expense | 177 | 6,328 | 750 | 19,295 | 1,784 | 7,487 | 23,440 | 20,607 | 2,601 |
| Net income, or loss (-), before adjustment of valuation and operating reserves | 138 | 7,251 | 621 | 1,975 | -564 | 89,604 | -23,440 | 11,228 | 18,869 |
| Adjustments of valuation and operating reserves: | | | | | | | | | |
| Reserve for losses on loans | ......... | -1,023 | ......... | 1 | ......... | 70 | ......... | ......... | ......... |
| Reserve for losses on acquired security or collateral | ......... | -32 | ......... | ......... | ......... | 747 | ......... | ......... | ......... |
| Reserve for losses on fixed assets | ......... | ......... | ......... | 2 | 1 | ......... | ......... | ......... | ......... |
| Reserve for losses on commodities and supplies | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Operating reserves | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Other reserves | ......... | 12 | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Net adjustment of valuation and operating reserves | ......... | -1,043 | ......... | 2 | 1 | 817 | ......... | ......... | ......... |
| Net income, or loss (-) | 138 | 6,208 | 621 | 1,977 | -564 | 90,421 | -23,440 | 11,228 | 18,869 |
| Changes in unreserved earned surplus or deficit: | | | | | | | | | |
| Unreserved earned surplus, or deficit (-), June 30, 1953 | 7 | 46,510 | 22,886 | 29,365 | 14,835 | ......... | -119,584 | 14,794 | ......... |
| Net income, or loss (-), for the fiscal year 1954 | 138 | 6,208 | 621 | 1,977 | -564 | 90,421 | -23,440 | 11,228 | 18,869 |
| Transfers to surplus reserves | ......... | -1,556 | ......... | -1,050 | ......... | -90,064 | ......... | -2,256 | -18,869 |
| Transfers from surplus reserves | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Distribution of profits: | | | | | | | | | |
| Treasurer's account--deposit of earnings | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Dividends | ......... | ......... | -7,000 | ......... | ......... | ......... | ......... | -8,053 | ......... |
| Other | ......... | -1,167 | ......... | -232 | ......... | ......... | ......... | -74 | ......... |
| Prior year adjustments | ......... | ......... | ......... | ......... | ......... | -357 | ......... | -144 | ......... |
| Unreserved earned surplus, or deficit (-), June 30, 1954 | 145 | 49,996 | 16,506 | 30,060 | 14,271 | ......... | -143,023 | 15,495 | ......... |

Footnotes at end of following table.

TABLE 78.--Income and expense of Government corporations and certain other business-type activities, fiscal year 1954[1]--Continued

[In thousands of dollars]

| | Corporations—Continued | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Housing and Home Finance Agency—Continued | | Panama Canal Company[10] | Reconstruction Finance Corporation and certain affiliates[11] | | In liquidation by Reconstruction Finance Corporation[11] | | Tennessee Valley Authority |
| | Office of the Administrator: Federal National Mortgage Association | Public Housing Administration[9] | | Regular lending activities | Assets held for the U. S. Treasury[12] | Defense Homes Corporation[13] | Smaller War Plants Corporation | |
| Income: | | | | | | | | |
| Sale of commodities and supplies | ... | ... | 26,157 | ... | 419,083 | ... | ... | 20,282 |
| Sale of services | ... | ... | 57,698 | ... | ... | ... | ... | 130,898 |
| Rents and royalties | ... | 1,729 | 2,383 | ... | 3,353 | ... | ... | 608 |
| Interest and dividends: | | | | | | | | |
| Interest on loans | 98,990 | 11,629 | ... | 22,224 | 357 | ... | 52 | ... |
| Interest on public debt securities | ... | ... | ... | ... | ... | ... | ... | ... |
| Interest, other | 122 | ... | ... | ... | 1,063 | ... | 15 | 20 |
| Dividends | ... | ... | ... | 1,069 | ... | ... | ... | ... |
| Guaranty and insurance premiums | 6,732 | ... | ... | 478 | ... | ... | ... | ... |
| Other income: | | | | | | | | |
| Gains on sale of fixed assets | ... | ... | ... | ... | 2,950 | ... | ... | ... |
| Gains on sale of investments | ... | ... | ... | ... | ... | ... | ... | ... |
| Gains on sale of acquired security or collateral | ... | ... | ... | ... | ... | ... | ... | ... |
| Other | 23 | 1,253 | 560 | 2,514 | 3,581 | 368 | 25 | 694 |
| Total income | 105,867 | 14,610 | 86,797 | 26,285 | 430,387 | 368 | 93 | 152,502 |
| Expense: | | | | | | | | |
| Cost of commodities and supplies sold | ... | ... | 19,873 | ... | 357,846 | ... | ... | 16,666 |
| Direct operating costs | 15,337 | ... | 38,302 | ... | ... | ... | ... | 101,958 |
| Interest expense: | | | | | | | | |
| On borrowings from the U. S. Treasury | ... | 9,498 | [14] 8,847 | 2,768 | ... | ... | ... | 693 |
| Other | 50,338 | ... | ... | 1,078 | ... | ... | ... | ... |
| Administrative expenses | 3,116 | 6,629 | 3,557 | 5,507 | 2,867 | ... | 48 | 1,861 |
| Depreciation (not included in cost of sales or direct operating costs) | 45 | 3,134 | ... | ... | ... | ... | ... | 3,113 |
| Grants, subsidies, and contributions: | | | | | | | | |
| Direct | ... | 44,472 | ... | ... | ... | ... | ... | ... |
| Indirect | ... | ... | ... | ... | ... | ... | ... | ... |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Guaranty and insurance losses | ... | ... | ... | ... | ... | ... | ... | ... |
| Other expenses | 11,767 | 1,395 | 12,058 | 478 | 18,162 | ... | ... | 6,125 |
| Losses and charge-offs: | | | | | | | | |
| Loans charged off | ... | ... | ... | ... | ... | ... | 90 | ... |
| Other assets charged off | 62 | ... | ... | ... | 407 | ... | ... | ... |
| Losses on sale of fixed assets | ... | 1,424 | ... | ... | ... | ... | ... | ... |
| Losses on sale of investments | ... | ... | ... | ... | ... | ... | ... | ... |
| Losses on sale of acquired security or collateral | ... | ... | ... | ... | ... | ... | ... | ... |
| Direct charges to operating reserves | ... | ... | ... | ... | ... | ... | ... | ... |
| Other | ... | 673 | ... | ... | 1,130 | ... | 1 | ... |
| Total expense | 80,664 | 67,226 | 82,637 | 9,830 | 380,412 | ... | 139 | 130,415 |
| Net income, or loss (-), before adjustment of valuation and operating reserves | 25,203 | -52,615 | 4,160 | 16,456 | 49,975 | 368 | -47 | [15] 22,087 |
| Adjustments of valuation and operating reserves: | | | | | | | | |
| Reserve for losses on loans | ... | 425 | ... | -869 | ... | ... | ... | ... |
| Reserve for losses on acquired security or collateral | ... | ... | ... | ... | ... | ... | ... | ... |
| Reserve for losses on fixed assets | ... | 205 | ... | ... | ... | ... | ... | ... |
| Reserve for losses on commodities and supplies | ... | ... | ... | ... | ... | ... | ... | ... |
| Operating reserves | ... | 207 | ... | ... | ... | ... | ... | ... |
| Other reserves | ... | 141 | ... | ... | 2,982 | ... | -136 | ... |
| Net adjustment of valuation and opersting reserves | ... | 978 | ... | -869 | 2,982 | ... | -136 | ... |
| Net income, or loss (-) | 25,203 | -51,637 | 4,160 | 15,587 | 52,957 | 368 | -183 | [15] 22,087 |
| Changes in unreserved earned surplus or deficit: | | | | | | | | |
| Unreserved earned surplus, or deficit (-), June 30, 1953 | ... | -145,171 | r 73,554 | r 245,222 | r -301,826 | 3,868 | r -36,727 | 78,885 |
| Net income, or loss (-), for the fiscal year 1954 | 25,203 | -51,637 | 4,160 | 15,587 | 52,957 | 368 | -183 | [15] 22,087 |
| Transfers to surplus reserves | ... | ... | ... | ... | ... | ... | ... | ... |
| Transfers from surplus reserves | ... | ... | ... | 23,200 | ... | ... | ... | ... |
| Distribution of profits: | | | | | | | | |
| Treasurer's account—deposit of earnings | ... | ... | ... | ... | ... | ... | ... | ... |
| Dividends | -446 | ... | ... | -34,288 | ... | ... | ... | ... |
| Other | ... | ... | ... | ... | ... | ... | ... | ... |
| Prior year adjustments | ... | -801 | -2,682 | 279 | ... | ... | ... | ... |
| Unreserved earned surplus, or deficit (-), June 30, 1954 | 24,757 | -197,610 | 75,033 | 250,000 | -248,869 | 4,235 | -36,909 | 100,972 |

Footnotes at end of following table.

TABLE 78.--Income and expense of Government corporations and certain other business-type activities, fiscal year 1954[1]--Continued

[In thousands of dollars]

| | Certain other business-type activities | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Total certain other business-type activities [16] | Department of Agriculture | | | Department of Commerce | Department of Health, Education, and Welfare | Department of the Interior[19] | Department of the Treasury | |
| | | Farmers' Home Administration | Disaster loans, etc.[17] | Rural Electrification Administration | Federal Maritime Board and Maritime Administration[18] | Office of Education: Loans to students | | Miscellaneous loans and certain other assets | Federal Civil Defense Act of 1950, as amended[20] |
| Income: | | | | | | | | | |
| Sale of commodities and supplies | 126,951 | .......... | .......... | .......... | .......... | .......... | 80 | .......... | .......... |
| Sale of services | 62,339 | .......... | .......... | .......... | 60,113 | .......... | .......... | .......... | .......... |
| Rents and royalties | 61,047 | 34 | .......... | .......... | 5,084 | .......... | 119 | .......... | .......... |
| Interest and dividends: | | | | | | | | | |
| Interest on loans | 518,695 | 26,262 | 2,369 | 41,884 | .......... | 22 | 261 | 337,433 | 74 |
| Interest on public debt securities | 7,894 | 25 | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Interest, other | 24,584 | 25 | 4 | .......... | 11,331 | .......... | .......... | 7,321 | .......... |
| Dividends | 68,284 | .......... | .......... | .......... | .......... | .......... | .......... | 67,834 | .......... |
| Guaranty and insurance premiums | 126,750 | 660 | .......... | .......... | 43 | .......... | .......... | .......... | .......... |
| Other income: | | | | | | | | | |
| Gains on sale of fixed assets | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Gains on sale of investments | 161 | .......... | .......... | .......... | 161 | .......... | .......... | .......... | .......... |
| Gains on sale of acquired security or collateral | 16,596 | 57 | (*) | .......... | .......... | .......... | .......... | .......... | .......... |
| Other | 7,425 | 21 | 1 | 1 | 4,586 | .......... | 1 | .......... | 7 |
| Total income | 1,020,726 | 27,085 | 2,375 | 41,885 | 81,318 | 22 | 461 | 412,588 | 81 |
| Expense: | | | | | | | | | |
| Cost of commodities and supplies sold | 138,393 | .......... | .......... | .......... | .......... | .......... | 37 | .......... | .......... |
| Direct operating costs | 101,725 | .......... | .......... | .......... | 60,831 | .......... | 219 | .......... | .......... |
| Interest expense: | | | | | | | | | |
| On borrowings from the U. S. Treasury | 135,136 | 3,664 | .......... | 39,691 | .......... | .......... | .......... | .......... | 28 |
| Other | 510 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Administrative expenses | 85,848 | 25,934 | 2,014 | 7,284 | 7,350 | .......... | 149 | .......... | 24 |
| Depreciation (not included in cost of sales or direct operating costs) | 3,206 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Grants, subsidies, and contributions: | | | | | | | | | |
| Direct | 167,139 | 32 | 46,344 | .......... | 105,547 | .......... | .......... | .......... | .......... |
| Indirect | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Guaranty and insurance losses | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Other expenses | 48,458 | 25 | -1 | .......... | 1,487 | .......... | .......... | .......... | .......... |
| Losses and charge-offs: | | | | | | | | | |
| Loans charged off | 13,354 | 12,459 | 100 | .......... | .......... | 2 | 321 | .......... | .......... |
| Other assets charged off | 12,965 | 7,951 | 43 | 47 | .......... | .......... | .......... | .......... | .......... |
| Losses on sale of fixed assets | 68,386 | .......... | .......... | .......... | 8,623 | .......... | 2,790 | .......... | .......... |
| Losses on sale of investments | 390 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Losses on sale of acquired security or collateral | 8,012 | 38 | 5 | .......... | .......... | .......... | .......... | .......... | .......... |
| Direct charges to operating reserves | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Other | 70,844 | .......... | .......... | .......... | 12,321 | .......... | .......... | .......... | .......... |
| Total expense | 854,366 | 50,103 | 48,505 | 47,023 | 196,159 | 2 | 3,516 | .......... | 52 |
| Net income, or loss (-), before adjustment of valuation and operating reserves | 166,360 | -23,019 | -46,131 | -5,137 | -114,841 | 20 | -3,055 | 412,588 | 29 |
| Adjustments of valuation and operating reserves: | | | | | | | | | |
| Reserve for losses on loans | 771 | 8,805 | -5,118 | -343 | .......... | .......... | 10 | .......... | .......... |
| Reserve for losses on acquired security or collateral | -32,837 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Reserve for losses on fixed assets | -2,056 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Reserve for losses on commodities and supplies | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Operating reserves | 7,673 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Other reserves | 7,150 | 3,420 | -187 | .......... | .......... | .......... | .......... | .......... | .......... |
| Net adjustment of valuation and operating reserves | -19,299 | 12,225 | -5,305 | -343 | .......... | .......... | 10 | .......... | .......... |
| Net income, or loss (-) | 147,061 | -10,793 | -51,436 | -5,480 | -114,841 | 20 | -3,045 | 412,588 | 29 |
| Changes in unreserved earned surplus or deficit: | | | | | | | | | |
| Unreserved earned surplus, or deficit (-), June 30, 1953 | r -2,753,163 | -105,349 | -11,963 | -29,581 | ([21]) | -233 | r -55,209 | .......... | .......... |
| Net income, or loss (-), for the fiscal year 1954 | 261,902 | -10,793 | -51,436 | -5,480 | .......... | 20 | -3,045 | 412,588 | 29 |
| Transfers to surplus reserves | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Transfers from surplus reserves | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Distribution of profits: | | | | | | | | | |
| Treasurer's account--deposit of earnings | -421,910 | .......... | .......... | .......... | .......... | -22 | -1 | -412,588 | .......... |
| Dividends | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Other | -4,261 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Prior year adjustments | -13,637 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Unreserved earned surplus, or deficit (-), June 30, 1954 | [22]-2,931,069 | -116,142 | -63,399 | -35,061 | .......... | -235 | -58,255 | .......... | 29 |

Footnotes at end of following table.

TABLE 78. --Income and expense of Government corporations and certain other business-type activities, fiscal year 1954[1]--Continued

[In thousands of dollars]

| | Certain other business-type activities--Continued | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Farm Credit Administration[5] | Foreign Operations Administration[23] | General Services Administration | Housing and Home Finance Agency | | | | Small Business Administration | Veterans' Administration[27] | Defense Production Act of 1950, as amended[28] |
| | Agricultural Marketing Act | | Public Works Administration (in liquidation) | Federal Housing Administration | Home Loan Bank Board: HOLC liquidation unit[24] | Office of the Administrator[25] | Public Housing Administration[26] | | | |
| Income: | | | | | | | | | | |
| Sale of commodities and supplies | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 26,494 | 100,377 |
| Sale of services | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 2,226 | ........ |
| Rents and royalties | ........ | ........ | ........ | ........ | ........ | 93 | 51,572 | ........ | 212 | 3,933 |
| Interest and dividends: | | | | | | | | | | |
| Interest on loans | 11 | 34,647 | 2,147 | 21 | ........ | 52,658 | 1,349 | 26 | 12,328 | 7,203 |
| Interest on public debt securities | ........ | ........ | ........ | 7,869 | ........ | ........ | ........ | ........ | ........ | ........ |
| Interest, other | ........ | ........ | ........ | 3,049 | ........ | 7 | ........ | ........ | 7 | 2,842 |
| Dividends | ........ | ........ | ........ | 3 | ........ | 446 | ........ | ........ | ........ | ........ |
| Guaranty and insurance premiums | ........ | 274 | ........ | 117,741 | ........ | ........ | ........ | ........ | ........ | 8,032 |
| Other income: | | | | | | | | | | |
| Gains on sale of fixed assets | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Gains on sale of investments | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Gains on sale of acquired security or collateral | 1,171 | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 15,368 | ........ |
| Other | ........ | 2,033 | ........ | 192 | ........ | 227 | 31 | 6 | 116 | 203 |
| Total income | 1,182 | 36,954 | 2,147 | 128,874 | ........ | 53,430 | 52,952 | 32 | 56,751 | 122,590 |
| Expense: | | | | | | | | | | |
| Cost of commodities and supplies sold | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | 20,496 | 117,861 |
| Direct operating costs | ........ | ........ | ........ | ........ | ........ | ........ | 24,082 | ........ | 7,003 | 9,590 |
| Interest expense: | | | | | | | | | | |
| On borrowings from the U. S. Treasury | ........ | 22,457 | ........ | [29] 517 | ........ | 52,285 | ........ | [30] 15 | 5,562 | 10,919 |
| Other | ........ | ........ | ........ | 509 | ........ | (*) | ........ | ........ | ........ | 1 |
| Administrative expenses | ........ | ........ | ........ | 31,316 | 6 | 594 | 3,681 | 1,493 | 1,120 | 4,882 |
| Depreciation (not included in cost of sales or direct operating costs) | ........ | ........ | ........ | 148 | ........ | ........ | ........ | ........ | 420 | 2,638 |
| Grants, subsidies, and contributions: | | | | | | | | | | |
| Direct | ........ | ........ | ........ | ........ | ........ | 15,215 | ........ | ........ | ........ | ........ |
| Indirect | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Guaranty and insurance losses | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Other expenses | ........ | 4,262 | ........ | 247 | ........ | 206 | ........ | ........ | 14,895 | 27,336 |
| Losses and charge-offs: | | | | | | | | | | |
| Loans charged off | ........ | ........ | ........ | ........ | ........ | 472 | ........ | ........ | ........ | ........ |
| Other assets charged off | 12 | ........ | ........ | ........ | ........ | 4,776 | 6 | ........ | ........ | 131 |
| Losses on sale of fixed assets | ........ | ........ | 157 | 4 | ........ | 3,135 | 53,601 | ........ | ........ | 76 |
| Losses on sale of investments | ........ | ........ | ........ | 390 | ........ | ........ | ........ | ........ | ........ | ........ |
| Losses on sale of acquired security or collateral | ........ | ........ | ........ | 7,964 | ........ | ........ | ........ | ........ | 5 | ........ |
| Direct charges to operating reserves | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Other | ........ | ........ | ........ | ........ | ........ | ........ | 58,515 | ........ | 8 | ........ |
| Total expense | 12 | 26,719 | 157 | 41,094 | 6 | 76,683 | 139,886 | 1,508 | 49,508 | 173,433 |
| Net income, or loss (-), before adjustment of valuation and operating reserves | 1,170 | 10,235 | 1,989 | 87,780 | -6 | -23,254 | -86,933 | -1,476 | 7,243 | -50,843 |
| Adjustments of valuation and operating reserves: | | | | | | | | | | |
| Reserve for losses on loans | ........ | ........ | ........ | -515 | ........ | -875 | -5 | -52 | ........ | -1,135 |
| Reserve for losses on acquired security or collateral | 2 | ........ | ........ | -32,955 | ........ | 115 | ........ | ........ | ........ | ........ |
| Reserve for losses on fixed assets | ........ | ........ | ........ | ........ | ........ | ........ | -2,056 | ........ | ........ | ........ |
| Reserve for losses on commodities and supplies | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Operating reserves | ........ | ........ | ........ | 13,660 | ........ | ........ | ........ | ........ | ........ | -5,987 |
| Other reserves | 10 | ........ | ........ | ........ | ........ | 4,627 | 18 | ........ | -817 | 81 |
| Net adjustment of valuation and operating reserves | 12 | ........ | ........ | -19,811 | ........ | 3,867 | -2,043 | -52 | -817 | -7,041 |
| Net income, or loss (-) | 1,182 | 10,235 | 1,989 | 67,970 | -6 | -19,386 | -88,977 | -1,528 | 6,425 | -57,884 |
| Changes in unreserved earned surplus or deficit: | | | | | | | | | | |
| Unreserved earned surplus, or deficit (-), June 30, 1953 | -315,295 | -54,395 | -1,585,837 | 146,298 | 31 | -21,570 | r -671,134 | ........ | 36 | -48,961 |
| Net income, or loss (-), for the fiscal year 1954 | 1,182 | 10,235 | 1,989 | 67,970 | -6 | -19,386 | -88,977 | -1,528 | 6,425 | -57,884 |
| Transfers to surplus reserves | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Transfers from surplus reserves | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Distribution of profits: | | | | | | | | | | |
| Treasurer's account—deposit of earnings | ........ | -6,608 | -2,691 | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Dividends | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Other | ........ | ........ | ........ | -3,200 | -25 | -1,037 | ........ | ........ | ........ | ........ |
| Prior year adjustments | ........ | ........ | ........ | ........ | ........ | 4 | -7,451 | ........ | -1 | -6,188 |
| Unreserved earned surplus, or deficit (-), June 30, 1954 | -314,113 | -50,768 | -1,586,539 | 211,067 | ........ | -41,990 | -767,562 | -1,528 | 6,461 | -113,034 |

Footnotes at end of following table.

TABLE 79.--Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1954[1]

[In thousands of dollars]

| | Grand total | Corporations | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Total corporations | Department of Agriculture | | Department of Commerce | Department of the Interior | Department of Justice | Export-Import Bank of Washington |
| | | | Commodity Credit Corporation | Federal Crop Insurance Corporation | Inland Waterways Corporation | Virgin Islands Corporation | Federal Prison Industries, Inc. | Regular lending activities |
| Funds applied: | | | | | | | | |
| To acquisition of assets: | | | | | | | | |
| Loans made | 14,239,419 | 8,071,001 | 3,385,521 | ........... | ........... | 29 | ........... | 565,172 |
| Purchase of investments: | | | | | | | | |
| Public debt securities of U. S. | 2,078,101 | 2,023,151 | ........... | ........... | ........... | ........... | ........... | ........... |
| Other securities | 50,478 | 50,450 | ........... | ........... | ........... | ........... | ........... | ........... |
| Purchase, construction, or improvement of fixed assets | 439,521 | 351,320 | 43,317 | ........... | ........... | 1,303 | 282 | 5 |
| Cost of acquiring collateral on defaulted loans | 55,915 | 212 | ........... | ........... | ........... | ........... | ........... | ........... |
| Other | 1,338,562 | 1,299,000 | [31] 1,289,175 | ........... | [32] 9,000 | 341 | ........... | ........... |
| Total acquisition of assets | 18,201,996 | 11,795,133 | 4,718,012 | ........... | 9,000 | 1,673 | 282 | 565,177 |
| To expenses (excluding depreciation and other charges not requiring funds) | 1,791,037 | 1,100,947 | 121,790 | 38,153 | 3,151 | 2,587 | 18,136 | 29,194 |
| To retirement of borrowings and capital, and distribution of surplus: | | | | | | | | |
| Repayment of borrowings: | | | | | | | | |
| To U. S. Treasury: | | | | | | | | |
| By cash | 3,553,317 | 3,143,744 | 1,853,227 | ........... | ........... | ........... | ........... | 328,000 |
| By cancellation of notes | 956,773 | 956,773 | 956,773 | ........... | ........... | ........... | ........... | ........... |
| To other Government corporations and agencies | 406,886 | 400,903 | ........... | ........... | ........... | ........... | ........... | ........... |
| To the public | 1,996,667 | 1,985,831 | ........... | ........... | ........... | ........... | ........... | ........... |
| Repayment of capital and surplus: | | | | | | | | |
| To U. S. Treasury | 426,291 | 246,665 | ........... | 4 | ........... | ........... | ........... | ........... |
| To others | 15,234 | 9,915 | ........... | ........... | ........... | ........... | ........... | ........... |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Treasurer's account--deposit of earnings | 421,910 | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Dividends | 47,599 | 40,749 | ........... | ........... | ........... | ........... | 2,750 | 22,5[illegible] |
| Other distribution of surplus | 1,617 | 1,617 | ........... | ........... | ........... | ........... | ........... | ........... |
| Total retirement of borrowings and capital, and distribution of surplus | 7,826,293 | 6,786,197 | 2,810,000 | 4 | ........... | ........... | 2,750 | 350,500 |
| To increase in working capital and deferred items | 689,107 | 305,490 | 17,940 | ........... | 263 | 108 | ........... | ........... |
| Other funds applied | -22,168 | -28,303 | ........... | ........... | ........... | ........... | ........... | -28,303 |
| Total funds applied | 28,486,265 | 19,959,464 | 7,667,743 | 38,157 | 12,414 | 4,369 | 21,168 | 916,568 |
| Funds provided: | | | | | | | | |
| By realization of assets: | | | | | | | | |
| Repayment of loans: | | | | | | | | |
| By cash | 10,347,481 | 6,076,876 | 683,266 | ........... | 12 | 17 | ........... | 3[illegible]0,348 |
| By cancellation of corporation notes | 956,773 | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Sale or collection of investments: | | | | | | | | |
| Public debt securities of U. S. | 1,755,681 | 1,614,562 | ........... | ........... | ........... | ........... | ........... | ........... |
| Capital of Government corporations | 28,500 | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Other securities | 78,081 | 77,847 | ........... | ........... | ........... | ........... | ........... | ........... |
| Sale of fixed assets | 61,326 | 46,890 | 5 | ........... | 11,438 | 410 | ........... | ........... |
| Sale of acquired security or collateral | 29,897 | 13,338 | ........... | ........... | ........... | ........... | ........... | ........... |
| Other | 996,472 | 968,727 | [33] 968,276 | ........... | 444 | ........... | ........... | ........... |
| Total realization of assets | 14,254,210 | 8,798,240 | 1,651,54[illegible] | ........... | 11,894 | 427 | ........... | 350,348 |
| By income | 2,284,235 | 1,264,824 | [illegible]4,266 | 27,468 | 520 | 2,061 | 20,815 | 86,605 |
| By borrowings, capital and surplus subscriptions, and appropriations: | | | | | | | | |
| Borrowings: | | | | | | | | |
| From U. S. Treasury | 5,254,296 | 4,351,117 | 3,378,000 | ........... | ........... | ........... | ........... | 447,900 |
| From other Government corporations and agencies | 205,061 | 199,219 | ........... | ........... | ........... | ........... | ........... | ........... |
| From the public | 1,854,621 | 1,814,110 | ........... | ........... | ........... | ........... | ........... | ........... |
| Capital and surplus subscriptions: | | | | | | | | |
| By U. S. Treasury | 801 | 800 | ........... | ........... | ........... | 800 | ........... | ........... |
| By others | 115,599 | 104,560 | ........... | ........... | ........... | ........... | 7 | ........... |
| Cancellation of notes to U. S. Treasury | 646,357 | 646,357 | 646,357 | ........... | ........... | ........... | ........... | ........... |
| General fund appropriations--expended | 1,243,350 | 239,037 | ........... | 5,445 | ........... | 1,080 | ........... | ........... |
| Other | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Total borrowings, capital and surplus subscriptions, and appropriations | 9,320,085 | 7,355,201 | 4,024,357 | 5,445 | ........... | 1,880 | 7 | 447,900 |
| By decrease in working capital and deferred items | 2,596,947 | 2,511,160 | 1,957,573 | 5,243 | ........... | ........... | 34[illegible] | 3,502 |
| Other funds provided | 30,788 | 30,040 | ........... | ........... | ........... | ........... | ........... | 28,213 |
| Total funds provided | 28,486,265 | 19,959,464 | 7,667,743 | 38,157 | 12,414 | 4,369 | 21,1[illegible] | 916,56[illegible] |

Footnotes at end of table.

TABLE 79.--Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1954[1]--Continued

[In thousands of dollars]

| | Corporations--Continued | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Export-Import Bank of Washington—Continued | Farm Credit Administration[5] | | | | Federal Deposit Insurance Corporation | Foreign Operations Administration[6] | Housing and Home Finance Agency — Home Loan Bank Board | |
| | Defense Production Act of 1950, as amended | Banks for coopera-tives | Federal Farm Mortgage Corporation | Federal interme-diate credit banks | Production credit corpora-tions | | Institute of Inter-American Affairs[7] | Federal home loan banks | Federal Savings and Loan Insurance Corporation |
| Funds applied: | | | | | | | | | |
| To acquisition of assets: | | | | | | | | | |
| Loans made | 12,718 | 491,535 | 63 | 1,790,273 | .......... | .......... | .......... | 723,726 | .......... |
| Purchase of investments: | | | | | | | | | |
| Public debt securities of U. S. | .......... | 43,735 | .......... | 215,192 | 24,647 | 235,123 | .......... | 1,376,003 | 128,450 |
| Other securities | .......... | 500 | .......... | .......... | 860 | .......... | .......... | 49,090 | .......... |
| Purchase, construction, or improvement of fixed assets | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | 4 |
| Cost of acquiring collateral on defaulted loans | .......... | 191 | 20 | .......... | .......... | .......... | .......... | .......... | .......... |
| Other | .......... | .......... | .......... | .......... | .......... | 484 | .......... | .......... | .......... |
| Total acquisition of assets | 12,718 | 535,962 | 83 | 2,005,465 | 25,507 | 235,607 | .......... | 2,148,819 | 128,454 |
| To expenses (excluding depreciation and other charges not requiring funds) | 177 | 6,279 | 750 | 19,294 | 1,702 | 88,247 | 23,441 | 20,593 | 2,304 |
| To retirement of borrowings and capital, and distribution of surplus: | | | | | | | | | |
| Repayment of borrowings: | | | | | | | | | |
| To U. S. Treasury: | | | | | | | | | |
| By cash | 17 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| By cancellation of notes | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| To other Government corporations and agencies | .......... | 42,147 | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| To the public | .......... | 196,455 | 51 | 1,195,875 | .......... | .......... | .......... | 593,450 | .......... |
| Repayment of capital and surplus: | | | | | | | | | |
| To U. S. Treasury | .......... | 28,500 | .......... | 2,850 | 4,225 | .......... | 1 | .......... | 10,208 |
| To others | .......... | 8,890 | .......... | .......... | .......... | .......... | .......... | 1,023 | .......... |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Treasurer's account--deposit of earnings | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| Dividends | .... | .... | 7,000 | .... | .... | .... | .... | 8,053 | .... |
| Other distribution of surplus | .... | 1,167 | .... | 232 | .... | .... | .... | 218 | .... |
| Total retirement of borrowings and capital, and distribution of surplus | 17 | 277,159 | 7,051 | 1,198,957 | 4,225 | .... | 1 | 602,744 | 10,208 |
| To increase in working capital and deferred items | 120 | 2,332 | .... | .... | .... | .... | .... | .... | .... |
| Other funds applied | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| Total funds applied | 13,032 | 821,731 | 7,884 | 3,223,715 | 31,435 | 323,854 | 23,442 | 2,772,156 | 140,967 |
| Funds provided: | | | | | | | | | |
| By realization of assets: | | | | | | | | | |
| Repayment of loans: | | | | | | | | | |
| By cash | .... | 506,280 | 5,827 | 1,828,912 | .... | .... | .... | 766,901 | .... |
| By cancellation of corporation notes | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| Sale or collection of investments: | | | | | | | | | |
| Public debt securities of U. S. | .... | 34,828 | .... | 216,704 | 27,425 | 134,200 | .... | 1,083,220 | 118,186 |
| Capital of Government corporations | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| Other securities | .... | .... | .... | .... | 2,764 | .... | .... | 60,591 | .... |
| Sale of fixed assets | .... | 1 | .... | 2 | 1 | .... | .... | .... | (*) |
| Sale of acquired security or collateral | .... | 341 | 445 | .... | .... | 4,053 | .... | .... | .... |
| Other | .... | .... | .... | .... | .... | .... | .... | .... | (*) |
| Total realization of assets | .... | 541,449 | 6,272 | 2,045,616 | 30,189 | 138,253 | .... | 1,910,711 | 118,186 |
| By income | 315 | 13,561 | 936 | 21,119 | 1,207 | 177,533 | 1 | 31,379 | 21,141 |
| By borrowings, capital and surplus subscriptions, and appropriations: | | | | | | | | | |
| Borrowings: | | | | | | | | | |
| From U. S. Treasury | 12,717 | .... | .... | .... | .... | .... | .... | .... | .... |
| From other Government corporations and agencies | .... | 53,350 | .... | .... | .... | .... | .... | .... | .... |
| From the public | .... | 204,520 | .... | 1,152,090 | .... | .... | .... | 457,500 | .... |
| Capital and surplus subscriptions: | | | | | | | | | |
| By U. S. Treasury | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| By others | .... | 8,851 | .... | .... | .... | .... | 18,861 | 68,008 | .... |
| Cancellation of notes to U. S. Treasury | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| General fund appropriations—expended | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| Other | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| Total borrowings, capital and surplus subscriptions, and appropriations | 12,717 | 266,721 | .... | 1,152,090 | .... | .... | 18,861 | 525,508 | .... |
| By decrease in working capital and deferred items | .... | .... | 676 | 4,889 | 39 | 8,069 | 4,579 | 304,558 | 1,639 |
| Other funds provided | .... | .... | .... | .... | .... | .... | .... | .... | .... |
| Total funds provided | 13,032 | 821,731 | 7,884 | 3,223,715 | 31,435 | 323,854 | 23,442 | 2,772,156 | 140,967 |

Footnotes at end of table.

TABLE 79.--Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1954[1]--Continued

[In thousands of dollars]

| | Corporations--Continued | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Housing and Home Finance Agency--Continued | | | Reconstruction Finance Corporation and certain affiliates[11] | | In liquidation by Reconstruction Finance Corporation[11] | | |
| | Office of the Administrator: Federal National Mortgage Association | Public Housing Administration[9] | Panama Canal Company[10] | Regular lending activities | Assets held for the U. S. Treasury[12] | Defense Homes Corporation[13] | Smaller War Plants Corporation[34] | Tennessee Valley Authority |
| Funds applied: | | | | | | | | |
| To acquisition of assets: | | | | | | | | |
| Loans made | 480,783 | 525,717 | ........... | 83,374 | 12,089 | ........... | ........... | ........... |
| Purchase of investments: | | | | | | | | |
| Public debt securities of U. S. | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Other securities | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Purchase, construction, or improvement of fixed assets. | 17 | 1,189 | 6,586 | ........... | ........... | ........... | ........... | 298,616 |
| Cost of acquiring collateral on defaulted loans | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Other | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Total acquisition of assets | 480,800 | 526,907 | 6,586 | 83,374 | 12,089 | ........... | ........... | 298,616 |
| To expenses (excluding depreciation and other charges not requiring funds) | 80,558 | 62,879 | 78,820 | 9,830 | 378,876 | ........... | 49 | 114,138 |
| To retirement of borrowings and capital, and distribution of surplus: | | | | | | | | |
| Repayment of borrowings: | | | | | | | | |
| To U. S. Treasury: | | | | | | | | |
| By cash | ........... | 879,000 | ........... | [35] 78,500 | ........... | ........... | ........... | 5,000 |
| By cancellation of notes | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| To other Government corporations and agencies | 358,756 | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| To the public | ........... | ........... | ........... | ........... | ........... | ........... | ........... | ........... |
| Repayment of capital and surplus: | | | | | | | | |
| To U. S. Treasury | ........... | ........... | ........... | ........... | 180,000 | ........... | 1,200 | 19,677 |
| To others | ........... | 2 | ........... | ........... | ........... | ........... | ........... | ........... |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Treasurer's account--deposit of earnings | ... | ... | ... | ... | ... | ... | ... | ... |
| Dividends | 446 | ... | ... | ... | ... | ... | ... | ... |
| Other distribution of surplus | ... | ... | ... | ... | ... | ... | ... | ... |
| Total retirement of borrowings and capital, and distribution of surplus | 359,202 | 879,002 | ... | 78,500 | 180,000 | ... | 1,200 | 24,677 |
| To increase in working capital and deferred items | 8,572 | ... | 2,674 | 273,114 | ... | 368 | ... | ... |
| Other funds applied | ... | ... | ... | ... | ... | ... | ... | ... |
| Total funds applied | 929,132 | 1,468,788 | 88,080 | 444,819 | 570,964 | 368 | 1,249 | 437,431 |
| Funds provided: | | | | | | | | |
| By realization of assets: | | | | | | | | |
| Repayment of loans: | | | | | | | | |
| By cash | 677,343 | 936,017 | ... | 321,594 | ... | ... | 359 | ... |
| By cancellation of corporation notes | ... | ... | ... | ... | ... | ... | ... | ... |
| Sale or collection of investments: | | | | | | | | |
| Public debt securities of U. S. | ... | ... | ... | ... | ... | ... | ... | ... |
| Capital of Government corporations | ... | ... | ... | ... | ... | ... | ... | ... |
| Other securities | ... | ... | ... | 14,493 | ... | ... | ... | ... |
| Sale of fixed assets | 52 | 6,532 | 216 | 233 | 26,405 | ... | ... | 1,594 |
| Sale of acquired security or collateral | ... | ... | ... | 8,433 | ... | ... | 66 | ... |
| Other | ... | ... | 7 | ... | ... | ... | ... | ... |
| Total realization of assets | 677,395 | 942,549 | 223 | 344,754 | 26,405 | ... | 425 | 1,594 |
| By income | 105,867 | 15,508 | 86,883 | 26,565 | 427,437 | 368 | 93 | 163,177 |
| By borrowings, capital and surplus subscriptions, and appropriations: | | | | | | | | |
| Borrowings: | | | | | | | | |
| From U. S. Treasury | ... | 439,000 | ... | 73,500 | ... | ... | ... | ... |
| From other Government corporations and agencies | 145,869 | ... | ... | ... | ... | ... | ... | ... |
| From the public | ... | ... | ... | ... | ... | ... | ... | ... |
| Capital and surplus subscriptions: | | | | | | | | |
| By U. S. Treasury | ... | ... | ... | ... | ... | ... | ... | ... |
| By others | ... | ... | ... | ... | 8,696 | ... | ... | 137 |
| Cancellation of notes to U. S. Treasury | ... | ... | ... | ... | ... | ... | ... | ... |
| General fund appropriations--expended | ... | 46,177 | ... | ... | ... | ... | ... | 186,335 |
| Other | ... | ... | ... | ... | ... | ... | ... | ... |
| Total borrowings, capital and surplus subscriptions, and appropriations | 145,869 | 485,177 | ... | 73,500 | 8,696 | ... | ... | 186,472 |
| By decrease in working capital and deferred items | ... | 24,700 | ... | ... | 108,426 | ... | 731 | 86,188 |
| Other funds provided | ... | 853 | 974 | ... | ... | ... | ... | ... |
| Total funds provided | 929,132 | 1,468,788 | 88,080 | 444,819 | 570,964 | 368 | 1,249 | 437,431 |

Footnotes at end of table.

TABLE 79.--Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1954[1]--Continued

[In thousands of dollars]

| | Certain other business-type activities | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total certain other business-type activities | Department of Agriculture | | | Department of the Army | Department of Commerce | Department of Health, Education, and Welfare | Department of the Interior[19] | Department of the Treasury | |
| | | Farmers' Home Administration | Disaster loans, etc.[17] | Rural Electrification Administration | Guaranteed loans, (World War II) | Federal Maritime Board and Maritime Administration[18] | Office of Education: Loans to students | | Miscellaneous loans and certain other assets | Federal Civil Defense Act of 1950, as amended[20] |
| Funds applied: | | | | | | | | | | |
| To acquisition of assets: | | | | | | | | | | |
| Loans made | 6,168,419 | 181,118 | 92,919 | 209,969 | ... | ... | ... | 453 | 5,402,065 | 2,265 |
| Purchase of investments: | | | | | | | | | | |
| Public debt securities of U. S. | 54,950 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Other securities | 28 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Purchase, construction, or improvement of fixed assets | 88,202 | ... | ... | 51 | ... | 43,535 | ... | ... | ... | ... |
| Cost of acquiring collateral on defaulted loans | 55,703 | 370 | 1 | ... | ... | ... | ... | ... | ... | ... |
| Other | 39,562 | 158 | 8 | ... | ... | ... | ... | ... | ... | ... |
| Total acquisition of assets | 6,406,864 | 181,646 | 92,928 | 210,019 | ... | 43,535 | ... | 453 | 5,402,065 | 2,265 |
| To expenses (excluding depreciation and other charges not requiring funds) | 690,090 | 37,506 | 48,399 | 46,975 | ... | 187,431 | ... | 405 | ... | 52 |
| To retirement of borrowings and capital, and distribution of surplus: | | | | | | | | | | |
| Repayment of borrowings: | | | | | | | | | | |
| To U. S. Treasury: | | | | | | | | | | |
| By cash | 409,572 | 126,418 | ... | 46,589 | ... | ... | ... | ... | ... | ... |
| By cancellation of notes | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| To other Government corporations and agencies | 5,983 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| To the public | 10,835 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Repayment of capital and surplus: | | | | | | | | | | |
| To U. S. Treasury | 179,626 | 440 | ... | 1 | 49 | 62,789 | 86 | 2,165 | ... | ... |
| To others | 5,319 | ... | ... | ... | ... | 4,986 | ... | ... | ... | ... |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Treasurer's account–deposit of earnings | 421,910 | ... | ... | ... | ... | ... | 22 | 1 | 412,588 | ... |
| Dividends | 6,850 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Other distribution of surplus | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Total retirement of borrowings and capital, and distribution of surplus | 1,040,096 | 126,858 | ... | 46,590 | 49 | 67,775 | 108 | 2,166 | 412,588 | ... |
| To increase in working capital and deferred items | 383,617 | 835 | 276 | 10,152 | ... | ... | ... | ... | ... | 14 |
| Other funds applied | 6,135 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Total funds applied | 8,526,801 | 346,844 | 141,603 | 313,737 | 49 | 298,741 | 108 | 3,024 | 5,814,654 | 2,330 |
| Funds provided: | | | | | | | | | | |
| By realization of assets: | | | | | | | | | | |
| Repayment of loans: | | | | | | | | | | |
| By cash | 4,270,605 | 111,812 | 42,682 | 59,783 | 49 | ... | 86 | 2,841 | 3,745,313 | 110 |
| By cancellation of corporation notes | 956,773 | ... | ... | ... | ... | ... | ... | ... | 956,773 | ... |
| Sale or collection of investments: | | | | | | | | | | |
| Public debt securities of U. S. | 141,119 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Capital of Government corporations | 28,500 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Other securities | 233 | ... | ... | ... | ... | 226 | ... | ... | ... | ... |
| Sale of fixed assets | 14,436 | 8 | ... | ... | ... | 607 | ... | 267 | ... | ... |
| Sale of acquired security or collateral | 16,559 | 183 | 12 | ... | ... | ... | ... | ... | ... | ... |
| Other | 27,745 | 170 | 19 | ... | ... | ... | ... | ... | ... | ... |
| Total realization of assets | 5,455,970 | 112,172 | 42,713 | 59,783 | 49 | 833 | 86 | 3,108 | 4,702,086 | 110 |
| By income | 1,019,411 | 27,083 | 2,376 | 41,885 | ... | 81,157 | 22 | 461 | 412,588 | 81 |
| By borrowings, capital and surplus subscriptions, and appropriations: | | | | | | | | | | |
| Borrowings: | | | | | | | | | | |
| From U. S. Treasury | 903,179 | 182,000 | ... | 205,000 | ... | ... | ... | ... | ... | [35] 2,139 |
| From other Government corporations and agencies | 5,842 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| From the public | 40,511 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Capital and surplus subscriptions: | | | | | | | | | | |
| By U. S. Treasury | 1 | 1 | ... | ... | ... | ... | ... | ... | ... | ... |
| By others | 11,039 | ... | ... | ... | ... | 7,216 | ... | ... | ... | ... |
| Cancellation of notes to U. S. Treasury | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| General fund appropriations—expended | 1,004,313 | 25,551 | 96,514 | 7,068 | ... | [36] 162,770 | ... | -651 | 699,979 | ... |
| Other | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Total borrowings, capital and surplus subscriptions, and appropriations | 1,964,884 | 207,551 | 96,514 | 212,068 | ... | 169,986 | ... | -651 | 699,979 | 2,139 |
| By decrease in working capital and deferred items | 85,787 | ... | ... | ... | ... | 46,766 | ... | 106 | ... | ... |
| Other funds provided | 748 | 38 | ... | ... | ... | ... | ... | ... | ... | ... |
| Total funds provided | 8,526,801 | 346,844 | 141,603 | 313,737 | 49 | 298,741 | 108 | 3,024 | 5,814,654 | 2,330 |

Footnotes at end of table.

TABLE 79. --Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1954[1]--Continued

[In thousands of dollars]

| | Certain other business-type activities--Continued | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Farm Credit Administration[5] | Foreign Operations Administration[23] | General Services Administration | Housing and Home Finance Agency | | | | Small Business Administration | Veterans' Administration[27] | Defense Production Act of 1950, as amended[28] |
| | Agricultural Marketing Act | | Public Works Administration (in liquidation) | Federal Housing Administration | Home Loan Bank Board: HOLC liquidation unit[24] | Office of the Administrator[25] | Public Housing Administration[26] | | | |
| Funds applied: | | | | | | | | | | |
| To acquisition of assets: | | | | | | | | | | |
| Loans made | .......... | 13,851 | .......... | .......... | .......... | 70,089 | 474 | 2,274 | 122,953 | 69,989 |
| Purchase of investments: | | | | | | | | | | |
| Public debt securities of U. S. | .......... | .......... | .......... | 54,950 | .......... | .......... | .......... | .......... | .......... | .......... |
| Other securities | .......... | .......... | .......... | 28 | .......... | .......... | .......... | .......... | .......... | .......... |
| Purchase, construction, or improvement of fixed assets | .......... | .......... | .......... | 39 | .......... | .......... | 23,229 | .......... | 763 | 20,585 |
| Cost of acquiring collateral on defaulted loans | 3 | .......... | .......... | 53,078 | .......... | .......... | .......... | .......... | 2,252 | .......... |
| Other | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | 39,396 |
| Total acquisition of assets | 3 | 13,851 | .......... | 108,095 | .......... | 70,089 | 23,703 | 2,274 | 125,968 | 129,970 |
| To expenses (excluding depreciation and other charges not requiring funds) | .......... | 26,719 | .......... | 32,589 | 6 | 64,669 | 28,958 | 1,508 | 49,061 | 165,813 |
| To retirement of borrowings and capital, and distribution of surplus: | | | | | | | | | | |
| Repayment of borrowings: | | | | | | | | | | |
| To U. S. Treasury: | | | | | | | | | | |
| By cash | .......... | 592 | .......... | .......... | .......... | 218,873 | .......... | .......... | .......... | 17,100 |
| By cancellation of notes | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| To other Government corporations and agencies | .......... | .......... | .......... | 5,983 | .......... | .......... | .......... | .......... | .......... | .......... |
| To the public | .......... | .......... | .......... | 10,835 | .......... | .......... | .......... | .......... | .......... | .......... |
| Repayment of capital and surplus: | | | | | | | | | | |
| To U. S. Treasury | .......... | .......... | 886 | 65,497 | 25 | 7,287 | 35,154 | .......... | 9,176 | -3,929 |
| To others | .......... | .......... | .......... | .......... | .......... | .......... | 333 | .......... | .......... | .......... |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Treasurer's account--deposit of earnings | .......... | 6,608 | 2,691 | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Dividends | .......... | .......... | .......... | 6,850 | .......... | .......... | .......... | .......... | .......... | .......... |
| Other distribution of surplus | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Total retirement of borrowings and capital, and distribution of surplus | .......... | 7,200 | 3,577 | 89,166 | 25 | 226,160 | 35,487 | .......... | 9,176 | 13,171 |
| To increase in working capital and deferred items | 3 | 5,194 | 195 | 100,340 | .......... | .......... | .......... | 785 | 10,901 | 254,923 |
| Other funds applied | .......... | .......... | .......... | .......... | .......... | .......... | 11 | .......... | .......... | 6,123 |
| Total funds applied | 5 | 52,963 | 3,772 | 330,189 | 31 | 360,918 | 88,160 | 4,567 | 195,106 | 570,000 |
| Funds provided: | | | | | | | | | | |
| By realization of assets: | | | | | | | | | | |
| Repayment of loans: | | | | | | | | | | |
| By cash | 447 | 111 | 886 | .......... | .......... | 242,258 | 2,842 | 38 | 20,583 | 40,765 |
| By cancellation of corporation notes | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Sale or collection of investments: | | | | | | | | | | |
| Public debt securities of U. S. | .......... | .......... | .......... | 141,119 | .......... | .......... | .......... | .......... | .......... | .......... |
| Capital of Government corporations | 28,500 | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Other securities | .......... | .......... | .......... | 7 | .......... | .......... | .......... | .......... | .......... | .......... |
| Sale of fixed assets | .......... | .......... | 739 | 3 | .......... | 638 | 10,804 | .......... | 23 | 1,347 |
| Sale of acquired security or collateral | 1,092 | .......... | .......... | 13,832 | .......... | 57 | .......... | .......... | 1,383 | .......... |
| Other | .......... | .......... | .......... | .......... | .......... | 4 | .......... | .......... | 2 | 27,550 |
| Total realization of assets | 30,039 | 111 | 1,625 | 154,962 | .......... | 242,956 | 13,646 | 38 | 21,991 | 69,661 |
| By income | 11 | 36,954 | 2,147 | 128,874 | .......... | 53,437 | 52,952 | 32 | 56,741 | 122,610 |
| By borrowings, capital and surplus subscriptions, and appropriations: | | | | | | | | | | |
| Borrowings: | | | | | | | | | | |
| From U. S. Treasury | .......... | 14,405 | .......... | .......... | .......... | 41,500 | .......... | .......... | 96,651 | 361,484 |
| From other Government corporations and agencies | .......... | .......... | .......... | 5,842 | .......... | .......... | .......... | .......... | .......... | .......... |
| From the public | .......... | .......... | .......... | 40,511 | .......... | .......... | .......... | .......... | .......... | .......... |
| Capital and surplus subscriptions: | | | | | | | | | | |
| By U. S. Treasury | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| By others | .......... | .......... | .......... | .......... | .......... | .......... | 8 | .......... | .......... | 3,815 |
| Cancellation of notes to U. S. Treasury | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| General fund appropriations—expended | -30,045 | 1,461 | .......... | .......... | .......... | 6,584 | 12,099 | 4,498 | 19,722 | -1,237 |
| Other | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Total borrowings, capital and surplus subscriptions, and appropriations | -30,045 | 15,866 | .......... | 46,352 | .......... | 48,084 | 12,107 | 4,498 | 116,373 | 364,062 |
| By decrease in working capital and deferred items | .......... | 32 | .......... | .......... | 31 | 16,441 | 8,744 | .......... | .......... | 13,668 |
| Other funds provided | .......... | .......... | .......... | .......... | .......... | .......... | 711 | .......... | .......... | .......... |
| Total funds provided | 5 | 52,963 | 3,772 | 330,189 | 31 | 360,918 | 88,160 | 4,567 | 195,106 | 570,000 |

Footnotes at end of table.

Footnotes to tables 78 and 79.

r Revised.

*Less than $500.

[1] On basis of reports received from the Government corporations and other business-type activities. For semiannual statements, see the "Treasury Bulletin."

[2] Includes $2,500 thousand interest paid on capital stock.

[3] Represents interest on advances from appropriations and on paid-in capital.

[4] This amount differs from the net loss shown above because this figure excludes the loss from operations by the Federal Maritime Board and the Maritime Administration (see footnote 21).

[5] In accordance with the act approved Aug. 6, 1953 (67 Stat. 390), the Farm Credit Administration was transferred from the Department of Agriculture and designated as an independent agency, effective Dec. 4, 1953.

[6] This Administration superseded the Mutual Security Agency, effective Aug. 1, 1953, pursuant to Reorganization Plan No. 7 of 1953, and Executive Order No. 10476 of Aug. 1, 1953,

[7] This Corporation, formerly shown under the Department of State, was transferred to the Foreign Operations Administration pursuant to Reorganization Plan No. 7 of 1953, effective Aug. 1, 1953. In accordance with the act approved Aug. 26, 1954 (68 Stat. 862), this Corporation shall, on and after July 1, 1954, be subject to the applicable provisions of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 1), in lieu of the provisions of the Government Corporation Control Act, as amended (31 U.S.C. 841).

[8] Represents accrual of interest in lieu of dividends on capital stock.

[9] Represents activities under the United States Housing Act, as amended. War housing and other operations of the Administration are shown under "Certain other business-type activities."

[10] Figures in this column are shown on a tentative basis.

[11] On Sept. 29, 1953, pursuant to the act approved July 30, 1953 (67 Stat. 230), the Reconstruction Finance Corporation started liquidation of its activities, except those carried on by the Corporation pursuant to Section 409 of the Federal Civil Defense Act of 1950 (64 Stat. 1257), and those carried on pursuant to the Defense Production Act of 1950, as amended (50 U.S.C. App. 2091-2094), which were transferred to the Secretary of the Treasury as of Sept. 28, 1953, and as of the close of business on Sept. 28, 1953, respectively. On July 1, 1954, the Secretary of the Treasury assumed the responsibility of completing the liquidation of certain activities of the Corporation, as provided in the act approved July 30, 1953. Pursuant to Reorganization Plan No. 2 of 1954, effective at the close of business June 30, 1954, certain loans, securities, and other assets, together with the functions relating thereto, were transferred from the Corporation to the Export-Import Bank of Washington, the Federal National Mortgage Association and the Small Business Administration. War Damage Corporation (in liquidation), shown under the heading "Reconstruction Finance Corporation and certain affiliates," in table 77, did not have any activity during the fiscal year 1954.

[12] Represents accounts held for the United States Treasury in accordance with the act approved June 30, 1948 (62 Stat. 1187-1188), which provided for cancellation of Reconstruction Finance Corporation notes in the amount of $9,313,736 thousand, plus interest accrued thereon subsequent to June 30, 1947, in its national defense, war, and reconversion activities, and stipulated that any amounts recovered by the Corporation with respect to these activities subsequent to June 30, 1947, should, after deduction of related expenses, be deposited in the United States Treasury as miscellaneous receipts. The national defense, war, and reconversion activities consist of the synthetic rubber, tin, and abaca programs, and liquidating activities relating principally to the rental and disposal of World War II defense plants and facilities, the settlement of claims, and collection of receivables. In accordance with Executive Order No. 10539, dated June 22, 1954, the President authorized and directed the Secretary of the Treasury to cause to be organized a corporation under the authority and subject to the provisions of Section 10 of the Rubber Act of 1948, as amended (50 U.S.C. App. 1929). The corporation is known as the Federal Facilities Corporation. By Executive Order No. 10539, the President transferred the synthetic rubber and tin programs to the Federal Facilities Corporation and the abaca fiber program to the General Services Administration, all effective at the close of business on June 30, 1954. On the same date, the Secretary of the Treasury took over the responsibility of liquidating the World War II assets, with the exception of the World War II assets which were transferred to the Export-Import Bank of Washington in accordance with Reorganization Plan No. 2 of 1954. Figures for source and application of funds are shown on a net basis.

[13] The equity of the Reconstruction Finance Corporation in the net assets of this Corporation and the function of liquidating these assets were transferred to the Federal National Mortgage Association, effective at the close of business June 30, 1954, pursuant to Reorganization Plan No. 2 of 1954.

[14] Represents interest on the net direct investment of the Government in the Corporation (see footnote 10).

[15] Represents net income during the fiscal year 1954 from power operations.

[16] Department of the Army--guaranteed loans (World War II), shown in table 79, did not have any income or expense during the fiscal year 1954.

[17] Revolving fund, Farmers' Home Administration.

[18] Figures in this column are shown on a preliminary basis.

[19] Consists of Indian loans and Puerto Rico Reconstruction Administration (in liquidation). In accordance with the act approved Aug. 15, 1953 (67 Stat. 584), the Secretary of the Interior was authorized and directed to start liquidation of the Administration.

[20] Transferred from the Reconstruction Finance Corporation (see footnote 11).

[21] The cumulative unreserved surplus or deficit cannot be segregated from the Government's equity in the activity, which consists of expended appropriations and cumulative unreserved surplus or deficit.

[22] This figure will not agree with the corresponding figure shown as "Earned surplus, or deficit (-), United States share" in the "Total" column of the balance sheets of "Certain other business-type activities" which appear in table 77, because this figure excludes reserve for contingencies held by the Housing and Home Finance Administrator—Community facilities service, amounting to $250 thousand, and reserve for amortization held by the General Services Administration (included under Defense Production Act of 1950, as amended), amounting to $10,444 thousand.

[23] Consists of guaranty program and loan program (see footnote 6).

[24] Liquidation was completed during the fiscal year 1954.

[25] Consists of Alaska housing program, community facilities service, housing loans for educational institutions, investment in the Federal National Mortgage Association, prefabricated housing loans program, and slum clearance program. The revolving fund for development of isolated defense sites, included under this heading in table 79, was terminated during the fiscal year 1954. The fund did not have any income or expense during the fiscal year 1954 prior to the date of its termination. In accordance with the act approved June 24, 1954 (68 Stat. 295), a revolving fund was established, effective July 1, 1954, for use in connection with the liquidation of the Alaska housing program, the community facilities service, and the prefabricated housing loans program. Pursuant to the act approved Aug. 2, 1954 (68 Stat. 622), the functions of the Housing and Home Finance Administrator, including the function of making payments to the Secretary of the Treasury, under Section 2 of Reorganization Plan No. 22 of 1950, together with the notes and capital stock of the Federal National Mortgage Association held by the Administrator were transferred to the Federal National Mortgage Association.

[26] Consists of Farm Security Administration program, public war housing program, and veterans' re-use housing program. In accordance with the act approved June 24, 1954 (68 Stat. 295); a revolving fund was established, effective July 1, 1954, for use in connection with the liquidation of these programs.

[27] Consists of guaranteed loans to veterans, veterans' canteen service, and veterans' direct loan program.

[28] Consists of Atomic Energy Commission, General Services Administration, and Departments of Agriculture, the Air Force, the Army, Commerce, the Interior, the Navy, and the Treasury. The Defense Materials Procurement Agency, formerly included under this heading, was abolished, and its activities were transferred to the General Services Administration in accordance with Executive Order No. 10480 of Aug. 14, 1953. The activities carried on by the Department of the Treasury were transferred from the Reconstruction Finance Corporation (see footnote 11).

[29] Represents interest on funds advanced to the Administration by allocations and appropriations.

[30] Represents interest on funds advanced to the Administration by appropriations.

[31] Represents purchase of commodities and other costs.

[32] Represents a mortgage received from the sale of the Corporation's property and operating equipment. As of June 30, 1954, a repayment of $444 thousand had been made on this mortgage.

[33] Represents sales and exchange of commodities and loans transferred to accounts receivable.

[34] Figures in this column are shown on a net basis.

[35] Includes $1,814 thousand transferred from the Reconstruction Finance Corporation to the Secretary of the Treasury (Federal Civil Defense Act of 1950), pursuant to Section 104 of the act approved July 30, 1953 (67 Stat. 231).

[36] Represents appropriations made by Congress during the fiscal year 1954, less lapsed appropriations transferred to the "Payment of certified claims" account of the United States Treasury.

TABLE 80.--Restoration of capital impairment of the Commodity Credit Corporation as of June 30, 1954

| | | Amount |
|---|---|---|
| Restoration of capital impairment: | | |
| By appropriations: | | |
| Act of June 25, 1938 (appraisal as of Mar. 31, 1938, H. Doc. 670, 75th Cong.) | | $94,285,404.73 |
| Act of Aug. 9, 1939 (appraisal as of Mar. 31, 1939, H. Doc. 317, 76th Cong.) | | 119,599,918.05 |
| Act of July 3, 1941 (appraisal as of Mar. 31, 1941, H. Doc. 248, 77th Cong.) | | 1,637,445.51 |
| Act of April 25, 1945 (appraisal as of Mar. 31, 1944, H. Doc. 48, 79th Cong.) | | [1] 256,764,881.04 |
| Act of July 5, 1952 (appraisal as of June 30, 1951, H. Doc. 57, 82nd Cong.) | | 109,391,154.00 |
| Total appropriations through fiscal year 1952 | | 581,678,803.33 |
| By cancellation of obligations of the Corporation held by the Treasury: | | |
| Act of July 20, 1946 (appraisal as of June 30, 1945, H. Doc. 54, 79th Cong.) | $921,456,561.00 | |
| Act of May 26, 1947 (appraisal as of June 30, 1946, H. Doc. 186, 80th Cong.) | 641,832,080.64 | |
| Act of Sept. 6, 1950 (appraisal as of June 30, 1949, S. Doc. 161, 81st Cong.) | 66,698,457.00 | |
| Act of Aug. 31, 1951 (appraisal as of June 30, 1950, Public Law 135, 82nd Cong.) | 421,462,507.00 | |
| Act of July 28, 1953 (appraisal as of June 30, 1952, Public Law 156, 83rd Cong.) | 96,205,161.00 | |
| Act of Feb. 12, 1954 (appraisal as of June 30, 1953, Public Law 295, 83rd Cong.) | 550,151,848.00 | [2] 2,697,806,614.64 |
| Total | | 3,279,485,417.97 |
| Less surplus returned to Treasury: | | |
| Appraisal as of March 31, 1940 | 43,756,731.01 | |
| Appraisal as of March 31, 1942 | 27,815,513.68 | |
| Appraisal as of June 30, 1947 | 17,693,492.14 | |
| Appraisal as of June 30, 1948 | 48,943,010.36 | 138,208,747.19 |
| Net charges to Treasury to restore impaired capital of Commodity Credit Corporation | | 3,141,276,670.78 |

[1] Includes $39,436,884.93 appropriated for capital impairment applicable to Mar. 31, 1943, appraisal.

[2] Excludes cancellations of $56,239,432.11 representing losses incurred through sales of commodities in connection with the Foreign Aid Act of 1947 (61 Stat. 939); $53,062,167 account of funds transferred and expenses incurred for eradication of foot-and-mouth diseases, etc., undertaken pursuant to the act of May 29, 1884, as amended (7 U.S.C. 391 and 21 U.S.C. 111-122); and $483,456,440 net costs to the Corporation for operations conducted under the International Wheat Agreement Act of 1949 (63 Stat. 945).

TABLE 81.--Reconstruction Finance Corporation notes canceled and cash recoveries made through June 30, 1954

| | Cancellations | | Cash recoveries | |
|---|---|---|---|---|
| | Fiscal year 1954 | Total through June 30, 1954 | Fiscal year 1954 | Total through June 30, 1954 |
| Allocations to governmental agencies, funds for relief pursuant to authorization or direction of Congress, administrative expenses in connection therewith, and interest paid on funds borrowed for these purposes (act of Feb. 24, 1938, Public Law 432)........ | ......... | $2,780,673,280.61 | $53,497,436.45 | r $742,205,890.35 |
| Funds advanced to Federal Housing Administration (act of Mar. 28, 1941, Public Law 24)........................ | ......... | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 |
| Repurchased capital stock of Federal home loan banks (act of June 30,1947, Public Law 132)...................... | ......... | 122,672,200.00 | ............... | 122,672,200.00 |
| Loans to Secretary of Agriculture (act of July 30, 1947, Public Law 266): | | | | |
| Rural rehabilitation and farm tenancy loans for Farmers' Home Administration program...................... | ......... | 40,367,816.15 | ............... | r 40,367,816.15 |
| Rural Electrification Administration loans............................. | ......... | 510,848,903.98 | 46,589,406.19 | r 199,016,539.21 |
| Transfer of public buildings (act of July 30, 1947, Public Law 268)........ | ......... | 9,735,561.99 | ................ | ................. |
| Net investment of Defense Homes Corporation (act of June 28, 1948, Public Law 796)............................ | .......... | 1,512,930.24 | ................ | ................. |
| Unrecovered costs as of June 30, 1947, national defense, war, and reconversion (act of June 30, 1948, Public Law 860)............................ | .......... | 9,359,742,084.04 | 184,921,320.68 | 632,796,366.88 |
| Strategic and critical materials (act of June 30, 1948, Public Law 860): | | | | |
| Metals, etc........................ | .......... | 14,479,120.49 | ................ | ................. |
| Rubber............................. | .......... | 3,632,421,98 | ................ | ................. |
| Total............................ | .......... | 12,848,664,319.48 | 290,008,163.32 | 1 1,742,058,812.59 |

r Revised.
[1] In addition to the above cash recoveries, securities and other assets in the amount of $744,206,568.56 as of June 30, 1954, have been transferred from the Reconstruction Finance Corporation to other governmental agencies.

TABLE 82.--Securities owned by the United States Government (other than World War I and World War II foreign government obligations[1]), June 30, 1954, and changes during 1954

[On the basis of the face value of the securities received by the United States, with due allowance for repayments. To the extent that the securities are not held in the custody of the Treasury, the statement is made up from reports received from other Government departments and establishments]

| Security and issuing agent | Date of authorizing act, order, or plan | Amount owned June 30, 1954 | Net increase during 1954 | Net decrease during 1954 | Explanation of change |
|---|---|---|---|---|---|
| Capital stock of Government corporations: | | | | | |
| Banks for cooperatives | June 16, 1933, as amended | $150,000,000.00 | | $28,500,000.00 | Repayment to revolving fund. |
| Commodity Credit Corporation | ....do | 100,000,000.00 | | | |
| Defense Homes Corporation (in liquidation[2]) | Jan. 22, 1932, as amended | 10,000,000.00 | | | |
| Disaster Loan Corporation | Feb. 11, 1937, as amended | ([3]) | | | |
| Export-Import Bank of Washington | June 16, 1933, as amended | 1,000,000,000.00 | | | |
| Federal Crop Insurance Corporation | Feb. 16, 1938; Aug. 25, 1949 | 27,000,000.00 | | | |
| Federal Farm Mortgage Corporation | Jan. 31, 1934, as amended | 10,000.00 | | | |
| Federal intermediate credit banks | Mar. 4, 1923, as amended | 60,000,000.00 | | | |
| Federal National Mortgage Association[4] | June 27, 1934, as amended | 20,000,000.00 | | | |
| Federal Savings and Loan Insurance Corporation. | June 27, 1934 | 76,987,000.00 | | 8,768,000.00 | Repayment of capital funds to miscellaneous receipts. |
| Inland Waterways Corporation | June 3, 1924, as amended | 15,000,000.00 | | | |
| Production credit corporations | June 16, 1933, as amended | 31,735,000.00 | | 4,225,000.00 | Repayments to revolving fund. |
| Public Housing Administration | Sept. 1, 1937, as amended | 1,000,000.00 | | | |
| Reconstruction Finance Corporation (in liquidation).[5] | Jan. 22, 1932, as amended | 100,000,000.00 | | | |
| Smaller War Plants Corporation (in liquidation).[6] | June 11, 1942, as amended | 38,200,000.00 | | 1,200,000.00 | Repayment of capital funds to miscellaneous receipts. |
| U. S. Commercial Company | Jan. 22, 1932, as amended | | | | Corporation dissolved--stock to be canceled by R.F.C. |
| War Damage Corporation (in liquidation)[7] | ....do | 1,000,000.00 | | | |
| Total capital stock | | 1,630,932,000.00 | | 42,693,000.00 | |
| Net change in capital stock | | | | 42,693,000.00 | |
| Paid-in surplus of Government corporations: | | | | | |
| Federal intermediate credit banks | Jan. 31, 1934 | 2,800,000.00 | | 2,850,000.00 | Repayments to revolving fund. |
| Federal National Mortgage Association[4] | June 27, 1934, as amended | 1,000,000.00 | | | |
| Total paid-in surplus[8] | | 3,800,000.00 | | 2,850,000.00 | |
| Net change in paid-in surplus | | | | 2,850,000.00 | |
| Bonds and notes of Government corporations and agencies held by the Treasury: | | | | | |
| Commodity Credit Corporation | Mar. 8, 1938, as amended | 4,180,000,000.00 | [9] $568,000,000.00 | | Net borrowings from the U. S. Treasury. |
| Export-Import Bank of Washington | July 31, 1945, as amended | 1,347,000,000.00 | 119,900,000.00 | | Do. |
| Foreign Operations Administration:[10] | | | | | |
| Guaranty program | Apr. 3, 1948, as amended | 5,545,000.00 | 2,015,000.00 | | Borrowings from the U. S. Treasury. |
| Loan program | Apr. 3, 1948, as amended, and June 15, 1951. | 1,197,267,609.58 | 11,798,246.86 | | Net borrowings from the U. S. Treasury. |

| | | | | | |
|---|---|---|---|---|---|
| Housing and Home Finance Administrator: | | | | | |
| Federal National Mortgage Association. | Reorganization Plan No. 22 of 1950 | 2,233,210,000.00 | .................. | 212,887,000.00 | Net repayments to the U. S. Treasury. |
| Housing loans for educational institutions. | Apr. 20, 1950................. | 51,500,000.00 | 31,500,000.00 | ................. | Borrowings from the U. S. Treasury. |
| Prefabricated housing loans program... | Reorganization Plan No. 23 of 1950, and act of Sept. 1, 1951. | 12,800,628.59 | .................. | 5,986,328.74 | Repayments to the U. S. Treasury. |
| Slum clearance program................ | July 15, 1949................. | 38,000,000.00 | 10,000,000.00 | ................. | Borrowings from the U. S. Treasury. |
| Public Housing Administration............ | Sept. 1, 1937, as amended..... | 215,000,000.00 | .................. | 440,000,000.00 | Net repayments to the U. S. Treasury. |
| Reconstruction Finance Corporation (in liquidation).[5] | Jan. 22, 1932, as amended..... | 154,000,000.00 | .................. | [11] 5,000,000.00 | Net repayments to the U. S. Treasury and transfer to the Secretary of the Treasury (Federal Civil Defense Act of 1950). |
| Rural Electrification Administration...... | May 20, 1936, as amended...... | [12] 2,091,132,364.77 | 158,410,593.81 | ................. | Net borrowings from the U. S. Treasury. |
| Secretary of Agriculture (Farmers' Home Administration program). | Aug. 31, 1951; July 5, 1952... | [13] 172,376,896.38 | 55,581,836.45 | ................. | Do. |
| Secretary of the Treasury (Federal Civil Defense Act of 1950).[14] | Jan. 22, 1932, as amended, and July 30, 1953. | [11] 2,138,970.61 | [11] 2,138,970.61 | ................. | Borrowings from the U. S. Treasury, and transfer from the Reconstruction Finance Corporation. |
| Tennessee Valley Authority................ | May 18, 1933, as amended...... | 29,000,000.00 | .................. | 5,000,000.00 | Repayment to the U. S. Treasury. |
| Veterans' Administration (veterans direct loan program). | Apr. 20, 1950, as amended..... | 366,718,875.00 | 96,651,249.00 | ................. | Borrowings from the U. S. Treasury. |
| Defense Production Act of 1950, as amended: | | | | | |
| Defense Materials Procurement Agency[15] | Sept. 8, 1950, as amended..... | .................. | .................. | 283,700,000.00 | Transfer to General Services Administration. |
| Export-Import Bank of Washington...... | ....do........................ | 13,068,382.67 | 12,699,941.25 | ................. | Net borrowings from the U. S. Treasury. |
| General Services Administration [15].... | ....do........................ | [16] 593,700,000.00 | [16] 593,700,000.00 | ................. | Borrowings from the U. S. Treasury and transfer from the Defense Materiale Procurement Agency. |
| Reconstruction Finance Corporation[17].. | ....do........................ | .................. | .................. | 122,200,000.00 | Transfer of $131,700,000 to the Secretary of the Treasury, less net borrowings of $9,500,000 prior to the date of transfer. |
| Secretary of Agriculture.............. | ....do........................ | 2,084,000.00 | 2,084,000.00 | ................. | Borrowing from the U. S. Treasury. |
| Secretary of the Interior (Defense Minerals Exploration Administration). | ....do........................ | 15,000,000.00 | 5,000,000.00 | ................. | Borrowings from the U. S. Treasury. |
| Secretary of the Treasury[17]........... | ....do........................ | 149,500,000.00 | [18] 149,500,000.00 | ................. | Net borrowings from the U. S. Treasury, including transfer from the Reconstruction Finance Corporation. |
| Total bonds and notes................ | .............................. | 12,869,042,727.60 | 1,818,979,837.98 | 1,074,773,328.74 | |
| Net change in bonds and notes........ | .............................. | .................. | 744,206,509.24 | ................. | |
| Other securities: | | | | | |
| Department of the Army: | | | | | |
| Guaranteed loans (World War II)....... | June 11, 1942; July 1, 1944... | 5,168,139.08 | .................. | 48,890.00 | Repayments. |
| Department of Health, Education, and Welfare: | | | | | |
| Student war loans..................... | July 2, 1942.................. | 787,522.07 | .................. | 88,144.10 | Net repayments and other deductions. |
| Department of the Interior: | | | | | |
| Indian loans.......................... | June 18, 1934, as amended..... | 10,862,871.41 | .................. | 738,702.87 | Do. |
| Puerto Rico Reconstruction Administration (in liquidation):[19] | | | | | |
| Certificates of Cafeteros de Puerto Rico. | Apr. 8, 1935, as supplemented. | .................. | .................. | 7,582.00 | Repayments. |
| Loans............................ | ....do........................ | 5,413,379.00 | .................. | 3,227,496.00 | Net repayments and other deductions. |

Footnotes at end of table.

TABLE 82. --Securities owned by the United States Government (other than World War I and World War II foreign government obligations[1]), June 30, 1954, and changes during 1954--Continued

| Security and issuing agent | Date of authorizing act, order, or plan | Amount owned June 30, 1954 | Net increase during 1954 | Net decrease during 1954 | Explanation of change |
|---|---|---|---|---|---|
| Other securities--Continued | | | | | |
| Department of the Treasury: | | | | | |
| Advances to Federal Reserve Banks | June 19, 1934 | $27,546,310.97 | | | |
| Credit to the United Kingdom | July 15, 1946 | 3,614,313,340.50 | | $46,127,434.50 | Repayment. |
| Loan participation in lend-lease liquidation. | Executive Order No. 9726, dated May 17, 1946. | 3,139,957.30 | | 2,739,835.11 | Repayments. |
| Loans to the District of Columbia | June 2, 1950 | 1,900,000.00 | $1,150,000.00 | | Loan made. |
| Railroads | Feb. 28, 1920, as amended | 5,759,000.00 | | | |
| Stock of the International Bank for Reconstruction and Development. | July 31, 1945 | 635,000,000.00 | | | |
| Subscriptions to the International Monetary Fund. | ....do | 2,750,000,000.00 | | | |
| Disaster loans, etc., revolving fund (Farmers' Home Administration): | | | | | |
| Crop, livestock, and commodity loans | Apr. 6, 1949 | 105,040,483.22 | 50,040,904.38 | | Net loans made. |
| Farm Credit Administration: | | | | | |
| Loans from Agricultural Marketing Act revolving fund. | June 15, 1929, as amended | 3,616,848.28 | | 267,801.60 | Net repayments and other deductions. |
| Farmers Home Administration: | | | | | |
| Loans to aid agriculture | July 1, 1918, Apr. 8, 1935, and Aug. 14, 1946, as supplemented. | [20] 476,459,424.03 | 2,825,351.31 | | Net loans made. |
| Federal Housing Administration: | | | | | |
| Mortgage notes and contracts on sales of acquired real estate. | June 27, 1934, as amended | 43,937,505.33 | 6,526,917.37 | | Net mortgage notes and contracts acquired. |
| Stock in rental and war housing corporations. | ....do | 473,200.00 | 20,400.00 | | Net stock acquired. |
| Title I defaulted notes | ....do | 55,719,524.13 | 5,792,948.97 | | Net defaulted notes acquired. |
| Federal Maritime Board and Maritime Administration: | | | | | |
| Mortgages and notes acquired from sale of vessels. | Sept. 7, 1916, as amended, and Reorganization Plan No. 21 of 1950. | 320,743,759.21 | | 34,355,445.23 | Net mortgages and notes repaid. |
| Foreign Operations Administration:[10] | | | | | |
| Loans to foreign governments | Apr. 3, 1948, as amended, and June 15, 1951. | [21] 346,212,499.15 | 1,941,189.87 | | Net loans made. |
| General Services Administration (Public Works Administration, in liquidation): | | | | | |
| Loans to States, municipalities, railroads, and others. | June 16, 1933, as amended | 85,613,000.00 | | 886,000.00 | Repayments. |
| Housing and Home Finance Administrator: | | | | | |
| Alaska housing program loans | Apr. 23, 1949 | 9,272,284.41 | | 3,919,449.82 | Net repayments. |
| Community facilities service loans | Oct. 14, 1940, as amended | 979,000.00 | | 191,497.89 | Net repayments and other deductions. |
| Public Housing Administration: | | | | | |
| Farm Security Administration program | Sept. 1, 1937, as amended | 9,942,283.56 | 1,186,307.52 | | Net mortgage notes acquired. |
| Public war housing program | ....do | 44,516,227.93 | 22,268,483.06 | | Do. |
| Veterans' re-use housing program | ....do | 95,938.50 | 12,438.50 | | Do. |

| | | | | | |
|---|---|---|---|---|---|
| Reconstruction Finance Corporation affiliate: | | | | | |
| Assets held for the U. S. Treasury:[22] | | | | | |
| Foreign loans and note | June 30, 1948 | 12,711,356.24 | 12,088,794.00 | ........ | Net acquired less repayments on loans. |
| Other securities | ....do | 3,006,900.00 | ........ | ........ | |
| Rural Electrification Administration: | | | | | |
| Loans for rural electrification and rural telephone service. | May 20, 1936, as amended | [23] 72,823,897.03 | ........ | 8,225,166.64 | Net repayments. |
| Secretary of the Treasury (Federal Civil Defense Act of 1950):[14] | | | | | |
| Loans to aid in promoting civil defense | Jan. 12, 1951; July 30, 1953 | [24] 15,858.87 | 15,858.87 | ........ | Net loans made. |
| Small Business Administration: | | | | | |
| Business and disaster loans | July 30, 1953, as amended | 2,236,532.83 | 2,236,532.83 | ........ | Do. |
| Veterans' Administration: | | | | | |
| Guaranteed loans to veterans | June 22, 1944, as amended | 50,776,757.32 | 11,320,455.92 | ........ | Net loans acquired. |
| Virgin Islands Corporation, The: | | | | | |
| Loans to aid agriculture and industry | June 30, 1949 | 33,005.01 | 11,742.78 | ........ | Net loans made. |
| Defense Production Act of 1950, as amended: | | | | | |
| Department of the Army: | | | | | |
| Guaranteed loans | Sept. 8, 1950, as amended | 3,289,709.74 | 109,507.52 | ........ | Net loans purchased. |
| Department of the Navy: | | | | | |
| Guaranteed loans | ....do | 3,087,400.99 | ........ | 2,031,786.50 | Net repayments. |
| Department of the Treasury:[17] | | | | | |
| Loans to aid in promoting national defense. | ....do | [25] 1,657,084.39 | 681,274.00 | ........ | Net loans made. |
| Total, other securities | ........ | [26] 8,712,151,000.50 | 118,229,106.90 | 102,855,232.26 | |
| Net change in other securities | ........ | ........ | 15,373,874.64 | ........ | |
| Total, all securities | ........ | [27] 23,215,925,728.10 | 1,937,208,944.88 | 1,223,171,561.00 | |
| Net change in all securities | ........ | ........ | 714,037,383.88 | ........ | |
| Less: | | | | | |
| Face amount of above securities acquired by Government corporations or agencies from funds or by exchange for obligations: | | | | | |
| Capital stock acquired by: | | | | | |
| Housing and Home Finance Administrator. | ........ | 20,000,000.00 | ........ | ........ | |
| Reconstruction Finance Corporation. | ........ | 1,000,000.00 | ........ | ........ | |
| Paid-in surplus acquired by: | | | | | |
| Housing and Home Finance Administrator. | ........ | 1,000,000.00 | ........ | ........ | |
| Total face amount of securities owned by the United States. | ........ | [27] 23,193,925,728.10 | 1,937,208,944.88 | 1,223,171,561.00 | |
| Net change during year | ........ | ........ | 714,037,383.88 | ........ | |

Amount due to the United States from the Central Branch Union Pacific R. R. on account of bonds issued (Pacific Railroad Aid Bonds Acts, approved July 1, 1862, July 2, 1864, and May 7, 1878):

| | |
|---|---|
| Principal | $1,600,000.00 |
| Interest | 1,404,205.45 |
| Total | 3,004,205.45 |

Footnotes for table 82.

[1] Excludes World War I funded and unfunded indebtedness of foreign governments, and World War II indebtedness of foreign governments involving lend-lease articles and surplus property sales agreements.

[2] This Corporation, which has been in liquidation by the Reconstruction Finance Corporation, and the function of completing its liquidation were transferred to the Federal National Mortgage Association, effective at the close of business June 30, 1954, pursuant to Reorganization Plan No. 2 of 1954.

[3] Corporation functions, assets, and liabilities have been transferred for liquidation to the Reconstruction Finance Corporation, and ownership of stock by the U. S. Treasury consists of a stock certificate of $24,000,000 indorsed for $18,243,104.96, representing payment by the Reconstruction Finance Corporation. This stock certificate has not been canceled because there is no authority to do so.

[4] As of June 30, 1954, the capital stock and paid-in surplus of this Corporation were held by the Housing and Home Finance Administrator.

[5] Pursuant to the act approved July 30, 1953 (67 Stat. 230), the duty of completing the liquidation of this Corporation and winding up its affairs was assumed by the Secretary of the Treasury on July 1, 1954.

[6] Under Executive Order No. 9665, dated Dec. 27, 1945, the assets of this Corporation were transferred to the Reconstruction Finance Corporation for collection or disposal. Liquidation of these assets after June 30, 1954, is being continued under the direction of the Secretary of the Treasury.

[7] The capital stock of this Corporation is held by the Reconstruction Finance Corporation.

[8] Exclusive of net payments from the U. S. Treasury, or transfer of assets authorized by law, for which no formal receipts or other evidences of payment are held by the Secretary of the Treasury in the following:

| | |
|---|---|
| Stock corporations: | |
| Inland Waterways Corporation | $12,298,327.85 |
| Public Housing Administration | 222,009,473.13 |
| Nonstock corporations: | |
| Federal Prison Industries, Inc | 4,946,738.51 |
| Institute of Inter-American Affairs | 15,591,838.26 |
| Panama Canal Company | 377,764,946.00 |
| Reconstruction Finance Corporation affiliate: | |
| Assets held for the U. S. Treasury | 572,984,787.64 |
| Tennessee Valley Authority | 45,332,861.54 |
| Virgin Islands Corporation, The | 5,996,338.01 |
| Total | 1,256,925,310.94 |

[9] Represents net of advances by the U. S. Treasury of $7,518,000,000, less repayments and refundings of $5,993,227,166, and cancellations of notes amounting to $956,772,834.

[10] This Administration superseded the Mutual Security Agency, effective Aug. 1, 1953, pursuant to Reorganization Plan No. 7 of 1953, and Executive Order No. 10476, of Aug. 1, 1953.

[11] Includes $1,813,970.61 transferred from the Reconstruction Finance Corporation to the Secretary of the Treasury (Federal Civil Defense Act of 1950), pursuant to the act approved July 30, 1953 (67 Stat. 230).

[12] Figure differs from that shown in tables 73, 74, and 75; see explanation in footnote 3 of tables 73 and 74.

[13] Figure differs from that shown in tables 73, 74, and 75; see explanation in footnote 4 of tables 73 and 74.

[14] In accordance with the act approved July 30, 1953 (67 Stat. 230), the activities carried on pursuant to Section 409 of the Federal Civil Defense Act of 1950 (64 Stat. 1257), were transferred from the Reconstruction Finance Corporation to the Secretary of the Treasury as of Sept. 28, 1953.

[15] The Defense Materials Procurement Agency was abolished, and its activities were transferred to the General Services Administration in accordance with Executive Order No. 10480, of Aug. 14, 1953.

[16] Includes $283,700,000 transferred from the Defense Materials Procurement Agency (see footnote 15).

[17] Pursuant to the act approved July 30, 1953 (67 Stat. 230), and Executive Order No. 10489, dated Sept. 26, 1953, the activities carried on by the Reconstruction Finance Corporation in accordance with Title III of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2091-2094), were transferred to the Secretary of the Treasury, effective at the close of business on Sept. 28, 1953.

[18] Includes $131,700,000 transferred from the Reconstruction Finance Corporation (see footnote 17).

[19] In accordance with the act approved Aug. 15, 1953 (67 Stat. 584), the Secretary of the Interior was authorized and directed to start liquidation of the Administration.

[20] Excludes borrowings from the U. S. Treasury of $172,376,896.38 shown under bonds and notes in the preceding part of this table. Funds borrowed from the U. S. Treasury and funds appropriated to Farmers' Home Administration are available for the Administration to carry on its activities.

[21] Excludes borrowings from the U. S. Treasury of $1,197,267,609.58 shown under bonds and notes in the preceding part of this table. Funds borrowed from the U. S. Treasury and funds appropriated to the Foreign Operations Administration are available for the Administration to carry on its loan activities.

[22] Pursuant to Reorganization Plan No. 2 of 1954, effective at the close of business June 30, 1954, the foreign loans amounting to $480,356.24 and other securities amounting to $3,000,000 were transferred to the Export-Import Bank of Washington for liquidation.

[23] Excludes borrowings from the U. S. Treasury of $2,091,132,364.77 shown under bonds and notes in the preceding part of this table. Funds borrowed from the U. S. Treasury and funds appropriated to the Rural Electrification Administration are available for the Administration to carry on its activities.

[24] Excludes borrowings from the U. S. Treasury of $2,138,970.61 shown under bonds and notes in the preceding part of this table. Funds borrowed from the U. S. Treasury and earnings from operations are available for the Secretary of the Treasury to carry on activities pursuant to this act.

[25] Excludes borrowings from the U. S. Treasury of $149,500,000 shown under bonds and notes in the preceding part of this table. Funds borrowed from the U. S. Treasury and earnings from operations are available to carry on activities pursuant to this act, as amended.

[26] Reserves amounting to $163,908,931.09 have been established against these securities.

[27] Includes loans to the District of Columbia of $1,900,000 and loans made pursuant to the Defense Production Act of 1950, as amended (50 U.S.C. App. 2091-2094), of $1,657,084.39, which are held by the Department of the Treasury. The comparable amounts as of June 30, 1953, were not included in this table in the 1953 annual report.

TABLE 83.--Dividends, interest, and similar payments received by the United States Treasury from Government corporations and certain other business-type activities, fiscal year 1954

| Agency and nature of payment | Amount |
|---|---|
| Commodity Credit Corporation: | |
| Interest on capital stock outstanding | $2,500,000.00 |
| Interest on borrowings from the U. S. Treasury | 88,345,566.39 |
| Export-Import Bank of Washington: | |
| The Board of Directors declared a dividend on the Bank's capital stock outstanding. This dividend was paid during the fiscal year 1954 out of the net profit earned during the fiscal year 1953 | 22,500,000.00 |
| Interest on borrowings from the U. S. Treasury | 28,144,443.68 |
| Farmers' Home Administration, interest on borrowings from the U. S. Treasury | 3,664,395.08 |
| Federal Farm Mortgage Corporation, pursuant to the act approved July 28, 1953 (67 Stat. 222), all cash funds in excess of operating requirements for the current fiscal year are to be declared as dividends and paid into the U. S. Treasury | 7,000,000.00 |
| Federal Housing Administration, interest on appropriations and allocations | 20,385,528.87 |
| Federal intermediate credit banks, franchise tax | 386,707.20 |
| Federal Prison Industries, Inc., payment of earnings | 2,750,000.00 |
| Federal Savings and Loan Insurance Corporation, interest in lieu of dividends on capital stock outstanding | 1,727,476.44 |
| Foreign Operations Administration, interest on borrowings from the U. S. Treasury[1] | 37,469,723.02 |
| Home Loan Bank Board, surplus of Home Owners' Loan Corporation (liquidated) | 30,061.18 |
| Housing and Home Finance Administrator: | |
| Federal National Mortgage Association, interest on borrowings from the U. S. Treasury | 50,864,079.36 |
| Housing loans for educational institutions, interest on borrowings from the U. S. Treasury | 324,896.16 |
| Prefabricated housing loans program, interest on borrowings from the U. S. Treasury | 252,223.17 |
| Slum clearance program, interest on borrowings from the U. S. Treasury | 469,530.20 |
| Panama Canal Company, interest on net direct investment of the Government in the Corporation | 6,649,425.81 |
| Public Housing Administration (U. S. Housing Act), interest on borrowings from the U. S. Treasury | 9,498,231.21 |
| Reconstruction Finance Corporation (in liquidation), interest on borrowings from the U. S. Treasury[2] | 4,167,833.93 |
| Rural Electrification Administration, interest on borrowings from the U. S. Treasury | 39,690,868.06 |
| Secretary of the Treasury (Federal Civil Defense Act of 1950), interest on borrowings from the U. S. Treasury[3] | 17,005.97 |
| Small Business Administration, interest on appropriations | 14,531.93 |
| Tennessee Valley Authority: | |
| Receipts from power operations and other sources | 19,676,976.78 |
| Interest on borrowings from the U. S. Treasury | 682,256.56 |
| Veterans' Administration (veterans' direct loan program), interest on borrowings from the U. S. Treasury | 4,274,656.45 |
| Virgin Islands Corporation, The, interest on appropriations and paid-in capital | 86,529.20 |
| Defense Production Act of 1950, as amended: | |
| Defense Materials Procurement Agency, interest on borrowings from the U. S. Treasury[4] | 2,060,313.07 |
| Export-Import Bank of Washington, interest on borrowings from the U. S. Treasury | 160,582.43 |
| General Services Administration, interest on borrowings from the U. S. Treasury[4] | 3,003,529.31 |
| Reconstruction Finance Corporation, interest on borrowings from the U. S. Treasury[5] | 1,153,908.40 |
| Secretary of the Interior (Defense Minerals Exploration Administration), interest on borrowings from the U. S. Treasury | 197,994.28 |
| Secretary of the Treasury, interest on borrowings from the U. S. Treasury[5] | 1,456,974.79 |
| Total | 359,606,248.93 |

[1] This Administration superseded the Mutual Security Agency, effective Aug. 1, 1953, pursuant to Reorganization Plan No. 7 of 1953, and Executive Order No. 10476 of Aug. 1, 1953.

[2] Pursuant to the act approved July 30, 1953 (67 Stat. 230), this Corporation was transferred to the Secretary of the Treasury for liquidation, effective July 1, 1954.

[3] In accordance with the act approved July 30, 1953 (67 Stat. 230), the activities carried on pursuant to Section 409 of the Federal Civil Defense Act of 1950 (64 Stat. 1257), were transferred from the Reconstruction Finance Corporation to the Secretary of the Treasury on Sept. 28, 1953.

[4] The Defense Materials Procurement Agency was abolished, and its activities were transferred to the General Services Administration in accordance with Executive Order No. 10480 of Aug. 14, 1953.

[5] Pursuant to the act approved July 30, 1953 (67 Stat. 230), and Executive Order No. 10489, dated Sept. 26, 1953, the activities carried on by the Reconstruction Finance Corporation in accordance with Title III of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2091-2094), were transferred to the Secretary of the Treasury, effective at the close of business on Sept. 28, 1953.

## STOCK AND CIRCULATION OF MONEY IN THE UNITED STATES

TABLE 84.--Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, by kinds, June 30, 1954

[In thousands of dollars, except per capita figures]

| Kind of money | Stock of money | Money held in the Treasury | | | | | Money outside of the Treasury | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Total | Amount held as security against gold and silver certificates (and Treasury notes of 1890) | Reserve against United States notes (and Treasury notes of 1890) | Held for Federal Reserve Banks and agents | All other money | Total | Held by Federal Reserve Banks and agents | In circulation[1] | |
| | | | | | | | | | Amount | Per capita[2] |
| Gold | [3] $21,927,003 | $21,927,003 | $21,273,989 | $156,039 | .............. | $496,974 | ............ | ............ | ............ | .......... |
| Gold certificates | [4] (21,273,989) | [4] (18,422,952) | .............. | ............ | [4][5] ($18,422,952) | ............ | $2,851,037 | $2,815,556 | $35,481 | $0.22 |
| Standard silver dollars | 491,021 | 275,904 | 238,074 | ............ | .............. | 37,830 | 215,117 | 3,584 | 211,533 | 1.30 |
| Silver bullion | 2,157,562 | 2,157,562 | 2,157,562 | ............ | .............. | ............ | ............ | ............ | ............ | .......... |
| Silver certificates | [4] (2,394,493) | ............ | .............. | ............ | .............. | ............ | 2,394,494 | 259,478 | 2,135,016 | 13.15 |
| Treasury notes of 1890 | [4] (1,142) | ............ | .............. | ............ | .............. | ............ | 1,142 | ............ | 1,142 | .01 |
| Subsidiary silver | 1,275,666 | 54,708 | .............. | ............ | .............. | 54,708 | 1,220,958 | 56,046 | 1,164,912 | 7.17 |
| Minor coin | 434,675 | 3,407 | .............. | ............ | .............. | 3,407 | 431,268 | 12,515 | 418,754 | 2.58 |
| United States notes | 346,681 | 2,165 | .............. | ............ | .............. | 2,165 | 344,516 | 24,292 | 320,224 | 1.97 |
| Federal Reserve notes | 26,543,177 | 59,213 | .............. | ............ | .............. | 59,213 | 26,483,963 | 1,099,358 | 25,384,606 | 156.29 |
| Federal Reserve Bank notes | 183,005 | 765 | .............. | ............ | .............. | 764 | 182,240 | 1,964 | 180,277 | 1.11 |
| National bank notes | 70,616 | 144 | .............. | ............ | .............. | 144 | 70,472 | 467 | 70,005 | .43 |
| Total June 30, 1954 | 53,429,405 | 24,480,870 | 23,669,625 | 156,039 | [4] (18,422,952) | [6] 655,205 | [7] 34,195,208 | 4,273,259 | 29,921,949 | 184.23 |

Paper currency of each denomination in circulation-June 30, 1954

| Denomination | Gold certificates | Silver certificates | Treasury notes of 1890 | United States notes | Federal Reserve notes | Federal Reserve Bank notes | National Bank notes | Total |
|---|---|---|---|---|---|---|---|---|
| One dollar | ........ | $1,175,394 | $293 | $5,153 | .......... | $1,500 | $340 | $1,182,680 |
| Two dollars | ........ | 2,831 | 177 | 67,051 | .......... | 342 | 162 | 70,563 |
| Five dollars | ........ | 828,732 | 325 | 237,807 | $941,819 | 2,810 | 11,761 | 2,023,254 |
| Ten dollars | $9,291 | 127,148 | 222 | 6,625 | 6,197,171 | 14,625 | 21,693 | 6,376,773 |
| Twenty dollars | 13,787 | 650 | 70 | 2,528 | 9,469,745 | 40,109 | 23,662 | 9,550,551 |
| Fifty dollars | 3,836 | 154 | 1 | 499 | 2,605,314 | 43,682 | 5,370 | 2,658,856 |
| One hundred dollars | 5,486 | 91 | 30 | 601 | 5,366,703 | 77,209 | 6,847 | 5,456,965 |
| Five hundred dollars | 1,233 | 7 | ........ | 454 | 322,174 | .......... | 87 | 323,954 |
| One thousand dollars | 1,903 | 9 | 25 | 506 | 470,635 | .......... | 21 | 473,099 |
| Five thousand dollars | 125 | .......... | ........ | ........ | 3,455 | .......... | ........ | 3,580 |
| Ten thousand dollars | 130 | .......... | ........ | ........ | 7,590 | .......... | ........ | 7,720 |
| Fractional parts | ........ | .......... | ........ | ........ | .......... | .......... | 63 | 63 |
| | 35,790 | 2,135,016 | 1,142 | 321,224 | 25,384,606 | 180,277 | 70,005 | 28,128,059 |
| Deduct: | | | | | | | | |
| Unknown, destroyed | ........ | .......... | ........ | 1,000 | .......... | .......... | ........ | 1,000 |
| Unassorted, held by Treasury Offices and Federal Reserve Banks | 308 | .......... | ........ | ........ | .......... | .......... | ........ | 308 |
| Total | 35,481 | 2,135,016 | 1,142 | 320,224 | 25,384,606 | 180,277 | 70,005 | 28,126,750 |

Comparative totals of money in circulation[1]

| Date | Amount | Per capita[2] |
|---|---|---|
| June 30, 1954 | $29,921,949 | $184.23 |
| May 31, 1954 | 29,870,422 | 184.17 |
| Mar. 31, 1954 | [8] 29,707,297 | 183.65 |
| Nov. 30, 1953 | [9] 30,807,116 | 191.40 |
| June 30, 1953 | 30,124,952 | r188.72 |
| June 30, 1950 | 27,156,290 | 179.03 |
| June 30, 1945 | 26,746,438 | 191.61 |
| June 30, 1940 | 7,847,501 | 59.46 |
| June 30, 1935 | 5,567,093 | 43.75 |
| June 30, 1930 | 4,521,988 | 36.74 |
| June 30, 1925 | 4,815,208 | 41.57 |
| Oct. 31, 1920 | 5,698,215 | 53.18 |
| Mar. 31, 1917 | 4,172,946 | 40.49 |
| June 30, 1914 | 3,459,434 | 34.90 |
| Jan. 1, 1879 | 816,267 | 16.76 |

NOTE.--For a description of security held, see table 86, footnote 2.
r Revised.
1 The money in circulation includes any paper currency held outside the continental limits of the United States.
2 Based on Bureau of the Census estimates of population.
3 Does not include gold other than that held by the Treasury.
4 These amounts are not included in the total, since the gold or silver held as security against gold and silver certificates and Treasury notes of 1890 is included under gold, standard silver dollars, and silver bullion, respectively.
5 This total includes credits with the Treasurer of the United States payable in gold certificates in (1) the Gold Certificate Fund - Board of Governors, Federal Reserve System, in the amount of $17,561,547,209 and (2) the redemption fund for Federal Reserve notes in the amount of $861,405,136.
6 Includes $113,000,000 lawful money deposited as a reserve for postal savings deposits.
7 The amount of gold and silver certificates and Treasury notes of 1890 should be deducted from this amount before combining with total money held in the Treasury to arrive at the total amount of money in the United States.
8 Lowest amount since November 30, 1953.
9 Highest amount to date.

TABLE 85.--Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, June 30, 1913-54[1]

[In thousands of dollars, except per capita figures]

| June 30 | Stock of money[2] | Money held in the Treasury | | | | | Money outside of the Treasury | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Total[3] | Amount held as security against gold and silver certificates (and Treasury notes of 1890) | Reserve against United States notes (and Treasury notes of 1890) | Held for Federal Reserve Banks and agents[3] | All other money | Total | Held by Federal Reserve Banks and agents | In circulation | |
| | | | | | | | | | Amount[4] | Per capita[5] |
| 1913 | 3,777,021 | 1,834,112 | 1,475,783 | 150,000 | ............ | 208,329 | 3,418,692 | ............ | 3,418,692 | 35.16 |
| 1920 | 8,158,496 | 2,379,664 | 704,638 | 152,979 | 1,184,276 | 337,771 | 6,483,470 | 1,015,881 | 5,467,589 | 51.36 |
| 1925 | 8,299,382 | 4,176,381 | 2,059,799 | 153,621 | 1,752,744 | 210,217 | 6,182,799 | 1,367,591 | 4,815,208 | 41.57 |
| 1930 | 8,306,564 | 4,021,937 | 1,978,448 | 156,039 | 1,796,239 | 91,211 | 6,263,075 | 1,741,087 | 4,521,988 | 36.74 |
| 1935 | 15,113,035 | 9,997,362 | 7,131,431 | 156,039 | 5,532,590 | 2,709,891 | 6,714,514 | 1,147,422 | 5,567,093 | 43.75 |
| 1940 | 28,457,960 | 21,836,936 | 19,651,067 | 156,039 | 14,938,895 | 2,029,829 | 11,333,196 | 3,485,695 | 7,847,501 | 59.46 |
| 1945 | 48,009,400 | 22,202,115 | 19,923,738 | 156,039 | 15,239,072 | 2,122,338 | 30,491,950 | 3,745,512 | 26,746,438 | 191.61 |
| 1946 | 49,648,011 | 22,649,365 | 20,397,885 | 156,039 | 15,287,592 | 2,095,441 | 32,108,938 | 3,863,941 | 28,244,997 | 199.76 |
| 1947 | 50,599,352 | 23,633,353 | 22,318,880 | 156,039 | 17,223,658 | [6] 1,158,433 | 32,061,222 | 3,763,994 | 28,297,227 | 196.33 |
| 1948 | 52,601,129 | 25,890,134 | 24,563,132 | 156,039 | 19,442,373 | 1,170,962 | 31,831,755 | 3,928,896 | 27,902,859 | 190.31 |
| 1949 | 53,103,980 | 26,861,355 | 25,554,811 | 156,039 | 20,429,710 | 1,150,505 | 31,367,726 | 3,874,816 | 27,492,910 | 184.33 |
| 1950 | 52,440,353 | 26,646,409 | 25,348,625 | 156,039 | 20,166,524 | 1,141,744 | 30,976,045 | 3,819,755 | 27,156,290 | 179.03 |
| 1951 | 50,985,939 | 24,175,565 | 22,894,641 | 156,039 | 17,698,722 | 1,124,884 | 32,006,293 | 4,197,063 | 27,809,230 | 180.17 |
| 1952 | 53,853,745 | 25,810,840 | 24,528,270 | 156,039 | 19,327,733 | 1,126,530 | 33,243,443 | 4,217,518 | 29,025,925 | 184.90 |
| 1953 | 54,015,346 | 24,960,950 | 23,702,046 | 156,039 | 18,470,725 | 1,102,865 | 34,285,718 | 4,160,765 | 30,124,952 | r 188.72 |
| 1954 | 53,429,405 | 24,480,870 | 23,669,625 | 156,039 | 18,422,952 | [7] 655,205 | 34,195,208 | 4,273,259 | 29,921,949 | 184.23 |

r Revised.

1 Figures differ slightly from monthly circulation statements for following reasons: (a) Beginning June 30, 1922, form of circulation statement was revised so as to inculde in holdings of Federal Reserve Banks and agents, and hence in stock of money, gold bullion and foreign gold coin held by Federal Reserve Banks and agents, and to include in holdings of Federal Reserve Banks and agents, and hence exclude from money in circulation, all forms of money held by Federal Reserve Banks and agents, whether as reserve against Federal Reserve notes or otherwise. For purposes of comparison, figures in this table for earlier years include these changes. For full explanation of this revision, see 1922 annual report, p. 433. (b) The form of circulation statement was revised again beginning Dec. 31, 1927, so as to exclude earmarked gold coin from stock of money, and hence from money in circulation; to include in holdings of Federal Reserve Banks and agents, and hence in stock of money, gold held abroad for account of Federal Reserve Banks; and to include in all categories, minor coin (1-cent piece and 5-cent piece). Beginning Dec. 31, 1927, circulation statement is dated for end of month instead of beginning of succeeding month, as was practice theretofore, and figures on revised basis for "Money held in the Treasury" are used. For purposes of comparison, figures in this table for earlier years include these changes. For explanation of this revision, see 1928 annual report, pp. 70-71. For figures for earlier years from 1860 through 1934, see annual reports for 1947, pp. 478-481, for 1952, p.708, and for 1953, p. 551. Changes, minor in amount, are made in some figures in the June 30 circulation statements for use in these annual report tables.

2 Excludes gold and silver certificates and Treasury notes of 1890 outside Treasury. Beginning with 1934, excludes amount (gold certificates) held for Federal Reserve Banks and agents. These items are excluded since gold and silver held as security against them are included. Composition of the stock of money is shown in table 86.

3 From 1934 to date, amount (gold certificates) held for Federal Reserve Banks and agents is excluded from total money in Treasury, see footnote 2.

4 Composition of money in circulation is shown in table 87.

5 Based on Bureau of Census estimated population for continental United States.

6 On February 26, 1947, gold in amount of $1,800,000,000 held for account of exchange stabilization fund was used as follows: (1) $687,500,000.11 was paid to International Monetary Fund; (2) $275,224,999.89 was transferred to gold certificate fund, Board of Governors, Federal Reserve System; and (3) $837,275,000 was transferred to general fund of Treasury (and included in this column until November 1953 see footnote 7).

7 On November 9, 1953, $500,000,000 of gold held in the general fund of the Treasury was used to purchase from the Federal Reserve System a like amount of public debt obligations which were retired.

TABLE 86.--Stock of money, by kinds, June 30, 1913-54[1]

[Dollars in thousands]

| June 30 | Gold[2] | Silver bullion[2] | Standard silver dollars[2] | Subsidiary silver | Minor coin | United States notes[2] | Federal Reserve notes[2] | Federal Reserve Bank notes[2] | National bank notes[2] | Total[3] | Percentage of gold to total money |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1913.......... | $1,870,762 | ............ | $568,273 | $175,196 | $56,951 | $346,681 | ............ | ............ | $759,158 | $3,777,021 | 49.53 |
| 1920.......... | 2,865,482 | ............ | 268,857 | 258,855 | 92,479 | 346,681 | $3,405,877 | $201,226 | 719,038 | 8,158,496 | 35.12 |
| 1925.......... | 4,360,382 | ............ | 522,061 | 283,472 | 104,004 | 346,681 | 1,942,240 | 7,176 | 733,366 | 8,299,382 | 52.54 |
| 1930.......... | 4,534,866 | ............ | 539,960 | 310,978 | 126,001 | 346,681 | 1,746,501 | 3,260 | 698,317 | 8,306,564 | 54.59 |
| 1935.......... | 9,115,643 | $313,309 | 545,642 | 312,416 | 133,040 | 346,681 | 3,492,854 | 84,354 | 769,096 | 15,113,035 | 60.32 |
| 1940.......... | 19,963,091 | 1,353,162 | 547,078 | 402,261 | 173,909 | 346,681 | 5,481,778 | 22,809 | 167,190 | 28,457,960 | 70.15 |
| 1945.......... | 20,212,973 | 1,520,295 | 493,943 | 825,798 | 303,539 | 346,681 | 23,650,975 | 533,979 | 121,215 | 48,009,400 | 42.10 |
| 1946.......... | 20,269,934 | 1,909,099 | 493,580 | 878,958 | 325,978 | 346,681 | 24,839,323 | 469,343 | 115,114 | 49,648,011 | 40.83 |
| 1947.......... | 21,266,490 | 1,923,913 | 493,462 | 922,656 | 348,889 | 346,681 | 24,780,495 | 409,443 | 107,323 | 50,599,352 | 42.03 |
| 1948.......... | 23,532,460 | 1,955,072 | 493,100 | 952,299 | 359,506 | 346,681 | 24,503,331 | 358,321 | 100,358 | 52,601,129 | 44.74 |
| 1949.......... | 24,466,324 | 1,988,559 | 492,857 | 989,456 | 371,956 | 346,681 | 24,040,979 | 313,333 | 93,835 | 53,103,980 | 46.07 |
| 1950.......... | 24,230,720 | 2,022,835 | 492,583 | 1,001,574 | 378,463 | 346,681 | 23,602,680 | 277,202 | 87,615 | 52,440,353 | 46.21 |
| 1951.......... | 21,755,888 | 2,057,227 | 492,249 | 1,041,946 | 388,646 | 346,681 | 24,574,934 | 245,987 | 82,382 | 50,985,939 | 42.67 |
| 1952.......... | 23,346,498 | 2,093,041 | 491,897 | 1,117,889 | 402,702 | 346,681 | 25,753,570 | 223,100 | 78,367 | 53,853,745 | 43.35 |
| 1953.......... | 22,462,818 | 2,126,273 | 491,518 | 1,193,757 | 418,680 | 346,681 | 26,698,400 | 202,747 | 74,472 | 54,015,346 | 41.59 |
| 1954.......... | 21,927,003 | 2,157,562 | 491,021 | 1,275,666 | 434,675 | 346,681 | 26,543,177 | 183,005 | 70,616 | 53,429,405 | 41.04 |

[1] See table 85, footnote 1. For figures for earlier years from 1860, see annual reports for 1947, pp. 482 - 484, for 1952, p. 709, and for 1953, p. 552.

[2] Part of gold and silver included in stock of money is held as reserve against other kinds of money, as follows: (1) As reserve for United States notes and Treasury notes of 1890--gold bullion (gold coin and bullion prior to gold conservation actions of 1933 and 1934) varying in amount from $150,000,000 to $156,039,431 during years included in this table; (2) also as security for Treasury notes of 1890 (these notes are being canceled and retired on receipt)--an equal dollar amount in standard silver dollars; (3) as security for outstanding silver certificates--silver in bullion and standard dollars of monetary value equal to face amount of such silver certificates; and (4) as security for gold certificates--gold bullion (gold coin and bullion before gold actions of 1933 and 1934) of value at legal standard equal to face amount of such gold certificates. Federal Reserve notes are secured by deposit by Federal Reserve Banks with Federal Reserve agents of like amount of gold certificates (gold prior to actions of 1933 and 1934) or of gold certificates and such discounted or purchased paper as are eligible under terms of Federal Reserve Act, as amended, or (from Feb. 27, 1932) of direct obligations of United States. Federal Reserve Banks must maintain reserves in gold certificates (gold for 1933 and prior years) of at least 25 percent (40 percent prior to passage of act of June 12, 1945) including redemption fund which must be deposited with Treasurer of United States, against Federal Reserve notes in actual circulation ("Gold certificates" as herein used for 1934 and subsequent years include credits with Treasurer of United States payable in gold certificates). Federal Reserve notes are obligations of United States and first lien on all assets of issuing Federal Reserve Bank. Federal Reserve Bank notes at time of issuance were secured by direct obligations of United States or commercial paper; however, lawful money has been deposited with Treasurer of United States for their redemption and they are in process of retirement. National bank notes at issuance were secured by direct obligations of United States; lawful money has been deposited with Treasurer for their redemption and they are being retired.

[3] Totals involve duplication to extent that United States notes and Federal Reserve notes, included in full, are in part secured by gold, also included in full. Gold certificates, silver certificates, and Treasury notes of 1890 have been excluded, however, since they are complete duplications of equal amounts of gold or silver held as security therefor and included in totals.

TABLE 87.--Money in circulation, by kinds, June 30, 1913-54[1]

[In thousands of dollars]

| June 30 | Gold coin | Gold certificates[2] | Standard silver dollars | Silver certificates[2] | Treasury notes of 1890[2] | Subsidiary silver | Minor coin | United States notes[2] | Federal Reserve notes[2] | Federal Reserve Bank notes[2] | National bank notes[2] | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1913........ | 608,401 | 1,003,998 | 72,127 | 469,129 | 2,657 | 154,458 | 54,954 | 337,215 | ........... | ........... | 715,754 | 3,418,692 |
| 1920........ | 474,822 | 259,007 | 76,749 | 97,606 | 1,656 | 248,863 | 90,958 | 278,144 | 3,064,742 | 185,431 | 689,608 | 5,467,589 |
| 1925........ | 402,297 | 1,004,823 | 54,289 | 382,780 | 1,387 | 262,009 | 100,307 | 282,578 | 1,636,108 | 6,921 | 681,709 | 4,815,208 |
| 1930........ | 357,236 | 994,841 | 38,629 | 386,915 | 1,260 | 281,231 | 117,436 | 288,389 | 1,402,066 | 3,206 | 650,779 | 4,521,988 |
| 1935........ | (3) | 117,167 | 32,308 | 701,474 | 1,182 | 295,773 | 125,125 | 285,417 | 3,222,913 | 81,470 | 704,263 | 5,567,093 |
| 1940........ | (3) | 66,793 | 46,020 | 1,581,662 | 1,163 | 384,187 | 168,977 | 247,887 | 5,163,284 | 22,373 | 165,155 | 7,847,501 |
| 1945........ | (3) | 52,084 | 125,178 | 1,650,689 | 1,150 | 788,283 | 291,996 | 322,587 | 22,867,459 | 527,001 | 120,012 | 26,746,438 |
| 1946........ | (3) | 50,223 | 140,319 | 2,025,178 | 1,149 | 843,122 | 316,994 | 316,743 | 23,973,006 | 464,315 | 113,948 | 28,244,997 |
| 1947........ | (3) | 47,794 | 148,452 | 2,060,728 | 1,147 | 875,971 | 331,039 | 320,403 | 23,999,004 | 406,260 | 106,429 | 28,297,227 |
| 1948........ | (3) | 45,158 | 156,340 | 2,060,869 | 1,146 | 918,691 | 346,112 | 321,485 | 23,600,323 | 353,499 | 99,235 | 27,902,859 |
| 1949........ | (3) | 42,665 | 163,894 | 2,060,852 | 1,145 | 939,568 | 355,316 | 318,688 | 23,209,437 | 308,821 | 92,524 | 27,492,910 |
| 1950........ | (3) | 40,772 | 170,185 | 2,177,251 | 1,145 | 964,709 | 360,886 | 320,781 | 22,760,285 | 273,788 | 86,488 | 27,156,290 |
| 1951........ | (3) | 39,070 | 180,013 | 2,092,174 | 1,145 | 1,019,824 | 378,350 | 318,173 | 23,456,018 | 243,261 | 81,202 | 27,809,230 |
| 1952........ | (3) | 37,855 | 191,306 | 2,087,811 | 1,145 | 1,092,891 | 393,482 | 318,330 | 24,605,158 | 220,584 | 77,364 | 29,025,925 |
| 1953........ | (3) | 36,596 | 202,424 | 2,121,511 | 1,143 | 1,150,498 | 412,952 | 317,702 | 25,608,669 | 200,054 | 73,403 | 30,124,952 |
| 1954........ | (3) | 35,481 | 211,533 | 2,135,016 | 1,142 | 1,164,912 | 418,754 | 320,224 | 25,384,606 | 180,277 | 70,005 | 29,921,949 |

1 See table 85, footnote 1. For figures for earlier years from 1860, see annual reports for 1947, pp. 485-487, for 1952, p. 710, and for 1953, p. 553.

2 For description of reserves held against various kinds of money, see table 86, footnote 2.

3 Gold Reserve Act of 1934, which was culmination of gold actions of 1933, vested in United States title to all gold coin and gold bullion. Gold coin was withdrawn from circulation and formed into bars. Gold coin ($287,000,000) shown on Treasury records as being then outstanding was dropped from monthly circulation statement as of Jan 31, 1934.

TABLE 88. --Location of gold, silver bullion at monetary value, and coin held in the Treasury on June 30, 1954

[Dollars in thousands]

| Location | Gold | Silver bullion at monetary value | Standard silver dollars | Subsidiary silver coin | Minor coin |
|---|---|---|---|---|---|
| United States mints: | | | | | |
| Denver | $5,875,866 | $159,981 | $2,560 | $28,020 | [1] $612 |
| Philadelphia | 2,467 | 186,902 | 143,191 | 18,586 | [1] 1,448 |
| San Francisco | 591,931 | 802,967 | 12,743 | 6,364 | [1] 1,122 |
| United States assay offices: | | | | | |
| New York | 2,971,736 | 687,212 | 45,685 | ........ | ........ |
| Seattle | 1,532 | ........ | ........ | ........ | ........ |
| Bullion depository, Fort Knox | 12,483,415 | ........ | ........ | ........ | ........ |
| Treasurer of U. S. (Cash Division), Federal Reserve Banks, etc. | 56 | 320,500 | 71,725 | 1,588 | 205 |
| In transit | ........ | ........ | ........ | 150 | 20 |
| Total | 21,927,003 | 2,157,562 | 275,904 | 54,708 | [1] 3,407 |

[1] Includes minor metals and alloys in process of manufacture into coins.

TABLE 89.--Paper currency issued and redeemed during the fiscal year 1954, and outstanding June 30, 1954, by classes and denominations

| | Issued during 1954 | Redeemed during 1954 | Outstanding June 30, 1954 | | |
|---|---|---|---|---|---|
| | | | In Treasury | In Federal Reserve Banks | Outside Treasury and Federal Reserve Banks |
| CLASS | | | | | |
| Gold certificates.......... | ............ | $1,090,650 | $309,900 | $2,815,555,600 | $35,481,449 |
| Silver certificates........ | $1,637,268,000 | 1,621,040,000 | 13,440,411 | 259,477,820 | 2,135,015,623 |
| United States notes........ | 163,300,000 | 163,300,000 | 2,164,947 | 24,292,366 | 320,223,703 |
| Treasury notes of 1890..... | .............. | 2,929 | 1,282 | ............. | 1,142,371 |
| Federal Reserve notes...... | 7,256,470,000 | 7,411,693,350 | 59,213,285 | 1,099,357,720 | 25,384,605,540 |
| Federal Reserve Bank notes. | .............. | 19,741,955 | 764,644 | 1,963,670 | 180,276,583 |
| National bank notes........ | .............. | 3,856,635 | 143,865 | 466,700 | 70,005,059 |
| Total................ | 9,057,038,000 | 9,220,725,519 | 76,038,334 | 4,201,113,876 | 28,126,750,328 |
| DENOMINATION | | | | | |
| $1........................ | 1,072,668,000 | 1,072,044,735 | 9,316,582 | 214,564,035 | 1,182,680,479 |
| $2........................ | 21,320,000 | 21,426,304 | 415,742 | 12,884,516 | 70,563,174 |
| $5........................ | 1,364,075,000 | 1,405,545,490 | 10,630,280 | 164,536,445 | 2,023,254,365 |
| $10....................... | 3,012,550,000 | 3,146,822,620 | 15,309,210 | 374,700,670 | 6,376,773,192 |
| $20....................... | 2,705,940,000 | 2,743,208,520 | 22,187,240 | 387,425,060 | 9,550,550,736 |
| $50....................... | 346,700,000 | 328,558,350 | 7,401,850 | 82,534,950 | 2,658,856,315 |
| $100...................... | 497,800,000 | 419,761,000 | 8,413,200 | 113,174,700 | 5,456,965,420 |
| $500...................... | 13,170,000 | 27,861,500 | 1,059,000 | 8,912,500 | 323,953,750 |
| $1,000.................... | 12,650,000 | 44,732,000 | 997,000 | 18,266,000 | 473,098,500 |
| $5,000.................... | 715,000 | 1,015,000 | .............. | 2,775,000 | 3,580,000 |
| $10,000................... | 9,450,000 | 9,750,000 | .............. | 11,240,000 | 7,720,000 |
| $100,000.................. | ............. | ............. | .............. | 2,810,100,000 | .............. |
| Fractional parts.......... | ............. | ............. | .............. | ............. | 62,627 |
| Unassorted................ | ............. | ............. | 308,230 | ............. | .............. |
| | 9,057,038,000 | 9,220,725,519 | 76,038,334 | 4,201,113,876 | 28,128,058,558 |
| Deduct: | | | | | |
| Unknown, destroyed...... | ............. | ............. | .............. | ............. | 1,000,000 |
| Unassorted............ | ............. | ............. | .............. | ............. | 308,230 |
| Total................ | 9,057,038,000 | 9,220,725,519 | 76,038,334 | 4,201,113,876 | 28,126,750,328 |

## CUSTOMS STATISTICS

TABLE 90.--Summary of customs collections and expenditures, fiscal year 1954

[On basis of the accounts of the Bureau of Customs]

| Collections[1] | Amount |
|---|---|
| Customs collections: | |
| Duties on imports | $562,020,619 |
| Miscellaneous collections (fines, penalties, etc.) | 4,589,701 |
| Total | 566,610,320 |
| Collections for other departments, bureaus, etc.: | |
| Internal revenue taxes | 234,574,349 |
| Other governmental agencies | 96,043 |
| Total for others | 234,670,392 |
| Total collections | 801,280,712 |

| Appropriations and expenditures | Amount |
|---|---|
| Appropriation for salaries and expenses, Bureau of Customs | $40,500,000 |
| Transferred from Department of Commerce for export control | 985,000 |
| Total | 41,485,000 |
| Expenditures, obligations incurred by: | |
| Collectors of customs | 29,843,644 |
| Agency Service (investigations) | 1,922,493 |
| Appraisers of merchandise | 4,764,900 |
| Chief chemists | 716,732 |
| Comptrollers of customs | 986,516 |
| Customs Information Exchange | 248,025 |
| Administrative | 1,675,949 |
| Export control | 985,000 |
| Total obligations incurred | 41,143,259 |
| Balance of appropriations | 341,741 |
| Appropriation "Refunds and drawback" indefinite | .............. |
| Expenditures for refunds, drawback, and minor payments of a similar nature | 20,481,971 |

[1] Excludes duties and sale of insular property for Puerto Rico, but includes other Puerto Rican collections.

TABLE 91.--Customs collections and payments, by districts, fiscal year 1954

| District | Collections[1] | | | | Payments | | | Cost to collect $10 |
|---|---|---|---|---|---|---|---|---|
| | Duties and miscellaneous customs collections | Internal Revenue Service | Other collections | Total | Excessive duties and other refunds | Drawback | Expenses (net obligations) | |
| Alaska | $87,519 | $463 | $59 | $88,041 | $3,169 | ............ | $173,148 | $196.66 |
| Arizona | 3,222,786 | 407 | 1,196 | 3,224,389 | 51,343 | ............ | 343,581 | 10.66 |
| Buffalo | 10,141,538 | 1,046,138 | 2,865 | 11,190,541 | 311,207 | $4,706 | 1,089,700 | 9.74 |
| Chicago | 16,413,752 | 18,948,744 | 1,080 | 35,363,576 | 279,980 | 223,361 | 881,754 | 2.49 |
| Colorado | 247,182 | 356,613 | ............ | 603,795 | 2,908 | 158 | 39,440 | 6.53 |
| Connecticut | 1,594,762 | 1,369,294 | 888 | 2,964,944 | 19,143 | 91,395 | 123,448 | 4.16 |
| Dakota | 3,490,344 | 276 | 121 | 3,490,741 | 37,606 | ............ | 421,201 | 12.07 |
| Duluth and Superior | 2,502,073 | 2,090 | 83 | 2,504,246 | 8,707 | 7 | 251,319 | 10.04 |
| El Paso | 1,963,211 | 42,909 | 644 | 2,006,764 | 50,284 | ............ | 862,801 | 42.99 |
| Florida | 8,447,018 | 3,581,432 | 3,181 | 12,031,631 | 96,746 | 4,917 | 1,135,610 | 9.44 |
| Galveston | 10,083,977 | 3,668,229 | 1,278 | 13,753,484 | 376,976 | 49,964 | 556,446 | 4.05 |
| Georgia | 3,104,160 | 206,274 | 455 | 3,310,889 | 11,125 | 26,877 | 203,765 | 6.15 |
| Hawaii | 1,770,369 | 544,470 | 233 | 2,315,072 | 83,034 | 201 | 494,389 | 21.36 |
| Indiana | 1,129,880 | 5,986,844 | 392 | 7,117,116 | 4,783 | ............ | 84,474 | 1.19 |
| Kentucky | 1,343,024 | 425,666 | 289 | 1,768,979 | 4,837 | 164,978 | 47,310 | 2.67 |
| Laredo | 4,623,660 | 264,608 | 12,423 | 4,900,691 | 28,993 | 41 | 1,002,402 | 20.45 |
| Los Angeles | 16,337,386 | 11,837,559 | 3,840 | 28,178,785 | 397,659 | 22,776 | 1,075,884 | 3.82 |
| Maine and New Hampshire | 2,411,504 | 1,372 | 268 | 2,413,144 | 45,222 | 58 | 856,415 | 35.49 |
| Maryland | 13,925,008 | 3,683,068 | 1,438 | 17,609,514 | 139,544 | 79,502 | 1,278,038 | 7.26 |
| Massachusetts | 43,469,002 | 4,978,627 | 1,586 | 48,449,215 | 1,188,357 | 92,090 | 2,379,624 | 4.91 |
| Michigan | 19,266,469 | 39,506,091 | 1,510 | 58,774,070 | 426,465 | 245,943 | 1,531,132 | 2.60 |
| Minnesota | 961,260 | 1,152,441 | 252 | 2,113,953 | 21,447 | 5,856 | 177,411 | 8.39 |
| Mobile | 2,297,466 | 124,091 | 381 | 2,421,938 | 29,100 | ............ | 186,952 | 7.72 |
| Montana and Idaho | 2,378,282 | 329 | 103 | 2,378,714 | 12,210 | 9 | 216,310 | 9.09 |
| New Orleans | 19,325,004 | 1,608,892 | 1,806 | 20,935,702 | 440,459 | 236,271 | 1,361,644 | 6.50 |
| New York | 254,298,677 | 76,862,060 | 12,342 | 331,173,079 | 6,682,876 | 4,096,941 | 13,477,519 | 4.07 |
| North Carolina | 8,031,719 | 15 | 87 | 8,031,821 | 61,501 | 88,670 | 113,048 | 1.41 |
| Ohio | 7,695,841 | 4,792,003 | 4,353 | 12,492,197 | 106,008 | 877,921 | 433,005 | 3.47 |
| Oregon | 2,081,849 | 1,059,756 | 612 | 3,142,217 | 55,450 | 71,858 | 285,991 | 9.10 |
| Philadelphia | 40,201,237 | 3,253,319 | 3,020 | 43,457,576 | 950,433 | 695,649 | 1,608,385 | 3.70 |
| Pittsburgh | 2,907,193 | 297,349 | 864 | 3,205,406 | 29,977 | 1,301 | 109,484 | 3.42 |
| Rhode Island | 1,842,370 | 414,843 | 852 | 2,258,065 | 110,267 | 40,303 | 118,574 | 5.25 |
| Rochester | 1,510,448 | 1,398,160 | 1,077 | 2,909,685 | 5,556 | 6,672 | 155,496 | 5.34 |
| Sabine | 161,571 | 5,610 | 530 | 167,711 | 809 | ............ | 96,903 | 57.78 |
| St. Lawrence | 8,224,180 | 25,174,878 | 1,589 | 33,400,647 | 36,199 | 3,552 | 806,137 | 2.41 |
| St. Louis | 6,612,269 | 1,736,283 | 552 | 8,349,104 | 48,913 | 190,035 | 189,695 | 2.27 |
| San Diego | 1,108,904 | 10,518 | 20,782 | 1,140,204 | 18,487 | ............ | 516,378 | 45.29 |
| San Francisco | 14,622,445 | 9,541,941 | 6,960 | 24,171,346 | 402,657 | 146,661 | 1,671,740 | 6.92 |
| South Carolina | 2,800,132 | 180,898 | 116 | 2,981,146 | 9,107 | ............ | 91,514 | 3.07 |
| Tennessee | 381,897 | 211,577 | 205 | 593,679 | 26,393 | 23,005 | 54,873 | 9.24 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Vermont | 4,122,754 | 395,410 | 288 | 4,518,452 | 25,118 | 1,744 | 798,470 | 17.67 |
| Virginia | 8,792,627 | 13,102 | 405 | 8,806,134 | 74,562 | 475 | 508,320 | 5.77 |
| Washington | 8,230,222 | 9,419,491 | 1,627 | 17,651,340 | 175,971 | 16,653 | 1,260,196 | 7.14 |
| Wisconsin | 2,261,920 | 470,209 | 2,126 | 2,734,255 | 21,362 | 57,268 | 123,315 | 4.51 |
| Puerto Rico | 78,484 | ............ | 1,285 | 79,769 | 357 | ............ | ............ | ............ |
| Items not assigned to districts | 106,945 | ............ | ............ | 106,945 | 846 | ............ | [2] 1,950,017 | ............ |
| Total | 566,610,320 | 234,574,349 | 96,043 | 801,280,712 | 12,914,153 | 7,567,818 | 41,143,258 | 5.13 |
| Collections deposited to the credit of Government of Puerto Rico | 4,711,318 | ............ | ............ | 4,711,318 | ............ | ............ | ............ | ............ |
| Grand total | 571,321,638 | 234,574,349 | 96,043 | 805,992,030 | 12,914,153 | 7,567,818 | 41,143,258 | [3] 5.13 |

[1] Customs receipts, on the basis of reports of collecting officers, are credited to the districts in which the collections are made. Receipts in various districts do not indicate the tax burden of the respective districts, since the taxes may be borne eventually by persons in other districts. Customs duties and sale of insular government property for Puerto Rico ($4,711,318) are deposited to the credit of the Government of Puerto Rico.

[2] Bureau and foreign.

[3] If export control expenditures of $985,000 be excluded, thus limiting costs to strictly customs enforcement and providing a total comparable with that for the previous year, the cost of collecting $100 of revenue was only $5.01 in 1954.

TABLE 92.--Value of dutiable and taxable imports for consumption and estimated duties and taxes collected by tariff schedules, fiscal years 1953 and 1954

| Tariff schedule | Value of dutiable and taxable imports for consumption | | Estimated duties and import taxes[1] | | Percentage increase, or decrease (-) | |
|---|---|---|---|---|---|---|
| | 1953 | 1954 | 1953 | 1954 | Value | Duty |
| 1. Chemicals, oils, and paints | $183,886,843 | $173,562,926 | $24,350,677 | $24,728,501 | -5.6 | 1.6 |
| 2. Earths, earthenware and glassware | 129,446,819 | 136,702,976 | 30,414,382 | 31,239,486 | 5.6 | 2.7 |
| 3. Metals and manufactures | 1,133,931,885 | 1,089,219,342 | 133,803,118 | 126,812,291 | -3.9 | -5.2 |
| 4. Wood and manufactures | 236,429,714 | 221,614,049 | 12,086,296 | 13,516,933 | -6.3 | 11.8 |
| 5. Sugar, molasses, and manufactures | 382,571,870 | 378,657,032 | 37,031,234 | 36,579,213 | -1.0 | -1.2 |
| 6. Tobacco and manufactures | 83,841,186 | 83,744,802 | 16,946,689 | 16,959,780 | -0.1 | .1 |
| 7. Agricultural products and provisions | 810,749,199 | 756,758,357 | 78,072,162 | 68,761,632 | -6.7 | -11.9 |
| 8. Spirits, wines, and other beverages | 134,128,991 | 156,184,932 | 31,539,659 | 36,905,016 | 16.4 | 17.0 |
| 9. Cotton manufactures | 48,029,909 | 57,591,003 | 10,557,694 | 12,224,994 | 19.9 | 15.8 |
| 10. Flax, hemp, jute, and manufactures | 144,920,725 | 114,216,979 | 8,913,259 | 8,293,709 | -21.2 | -7.0 |
| 11. Wool and manufactures | 424,507,844 | 280,825,623 | 98,865,775 | 60,897,458 | -33.8 | -38.4 |
| 12. Silk manufactures | 30,272,337 | 26,885,260 | 9,317,938 | 8,101,786 | -11.2 | -13.1 |
| 13. Manufactures of rayon and other synthetic textiles | 34,088,431 | 20,792,968 | 6,442,410 | 4,746,837 | -39.0 | -25.7 |
| 14. Pulp, paper, and books | 46,219,536 | 46,281,766 | 4,499,888 | 4,471,699 | 0.1 | -.6 |
| 15. Sundries | 316,095,953 | 298,389,012 | 62,305,978 | 61,057,609 | -5.6 | -2.0 |
| Free-list commodities taxable under Revenue Act of 1932 and subsequent acts | r 693,640,136 | 783,572,685 | r 37,683,936 | 29,092,751 | 13.0 | -22.8 |
| Dutiable under Sec. 406, Tariff Act of 1930, etc | r 5,250,117 | 3,919,344 | r 1,849,506 | 1,386,647 | -25.4 | -25.0 |
| Total | 4,838,011,495 | [2] 4,628,919,056 | 604,680,601 | 545,776,342 | -4.3 | -9.7 |

r Revised.

1 Taxes collected on dutiable commodities under the revenue acts and the Sugar Act of 1937 are included in appropriate schedules.

2 Does not include $40,391,110 which represents the value of imports on informal entries and informal mail entries for which the duties collected were not shown by tariff schedulee. See also footnote to table 96.

TABLE 93.--Value of dutiable imports and amounts of duties collected at specific, ad valorem, and compound rates, fiscal years 1939--54

[In millions of dollars]

| Fiscal year | Total | | Specific | | Ad valorem | | Compound | | Average ad valorem equivalent | | | | Percent of total value | | | Percent of total duty | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Value | Duty | Value | Duty | Value | Duty | Value | Duty | Total | Specific | Ad valorem | Compound | Specific | Ad valorem | Compound | Specific | Ad valorem | Compound |
| 1939 | 820 | 312 | 502 | 206 | 268 | 78 | 50 | 28 | 38 | 41 | 29 | 57 | 61 | 33 | 6 | 66 | 25 | 9 |
| 1940 | 920 | 340 | 611 | 245 | 265 | 71 | 44 | 24 | 37 | 40 | 27 | 56 | 66 | 29 | 5 | 72 | 21 | 7 |
| 1941 | 1,011 | 385 | 769 | 315 | 205 | 50 | 37 | 20 | 38 | 41 | 24 | 53 | 76 | 20 | 4 | 82 | 13 | 5 |
| 1942 | 1,166 | 386 | 894 | 319 | 226 | 45 | 46 | 22 | 33 | 36 | 20 | 49 | 77 | 19 | 4 | 83 | 12 | 5 |
| 1943 | 1,032 | 330 | 827 | 288 | 174 | 28 | 31 | 14 | 32 | 35 | 16 | 45 | 80 | 17 | 3 | 87 | 9 | 4 |
| 1944 | 1,249 | 421 | 1,015 | 372 | 201 | 36 | 33 | 13 | 34 | 37 | 18 | 39 | 81 | 16 | 3 | 88 | 9 | 3 |
| 1945 | 1,199 | 343 | 910 | 283 | 251 | 45 | 38 | 15 | 29 | 31 | 18 | 38 | 76 | 21 | 3 | 83 | 13 | 4 |
| 1946 | 1,592 | 429 | 1,103 | 323 | 430 | 83 | 59 | 23 | 27 | 29 | 19 | 39 | 69 | 27 | 4 | 75 | 19 | 6 |
| 1947 | 2,096 | 476 | 1,508 | 333 | 513 | 115 | 75 | 28 | 23 | 22 | 22 | 39 | 72 | 24 | 4 | 70 | 24 | 6 |
| 1948 | 2,489 | 402 | 1,878 | 271 | 530 | 105 | 81 | 26 | 16 | 14 | 20 | 32 | 76 | 21 | 3 | 68 | 26 | 6 |
| 1949 | 2,839 | 374 | 2,138 | 233 | 589 | 109 | 112 | 32 | 13 | 11 | 19 | 28 | 75 | 21 | 4 | 63 | 29 | 8 |
| 1950 | 3,064 | 415 | 2,338 | 264 | 616 | 117 | 110 | 34 | 14 | 11 | 19 | 31 | 76 | 20 | 4 | 64 | 28 | 8 |
| 1951 | 4,919 | 615 | 3,511 | 346 | 1,202 | 207 | 206 | 62 | 13 | 10 | 17 | 30 | 71 | 25 | 4 | 56 | 34 | 10 |
| 1952 | 4,368 | 541 | 3,002 | 294 | 1,171 | 191 | 195 | 56 | 12 | 10 | 16 | 28 | 69 | 26 | 5 | 55 | 35 | 10 |
| 1953 | 4,838 | 605 | 3,281 | 320 | 1,306 | 214 | 251 | 70 | 13 | 10 | 16 | 28 | 68 | 27 | 5 | 53 | 35 | 12 |
| 1954 | 4,669 | 546 | 3,258 | 286 | 1,192 | 197 | 219 | 62 | 12 | 9 | 16 | 28 | 70 | 25 | 5 | 52 | 36 | 11 |

TABLE 94.--Estimated customs duties, value of imports entered for consumption, and ratio of duties to value of dutiable imports and to value of all imports, calendar years 1943-53 and monthly January 1953-June 1954[1]

[Dollars in thousands]

| Calendar year and month | Estimated duties (including taxes on imports) | Value of imports entered for consumption | | Ratio of dutiable to total | Ratio of duties to value of | |
|---|---|---|---|---|---|---|
| | | Total | Dutiable | | Dutiable imports | Total imports |
| | | | | Percent | Percent | Percent |
| 1943 | $391,540 | $3,390,101 | $1,207,301 | 35.61 | 32.43 | 11.55 |
| 1944 | 368,234 | 3,887,490 | 1,164,561 | 29.96 | 31.62 | 9.47 |
| 1945 | 382,212 | 4,098,101 | 1,350,487 | 32.95 | 28.30 | 9.33 |
| 1946 | 482,860 | 4,824,902 | 1,889,228 | 39.16 | 25.56 | 10.00 |
| 1947 | 427,679 | 5,666,321 | 2,213,764 | 39.07 | 19.32 | 7.55 |
| 1948 | 404,778 | 7,092,032 | 2,908,976 | 41.02 | 13.91 | 5.71 |
| 1949 | 364,618 | 6,591,640 | 2,709,716 | 41.11 | 13.46 | 5.53 |
| 1950 | 522,337 | 8,743,082 | 3,967,246 | 45.38 | 13.17 | 5.97 |
| 1951 | 591,261 | r 10,817,341 | 4,851,594 | r 44.85 | 12.19 | r 5.47 |
| 1952 | 570,062 | r 10,747,497 | 4,486,364 | r 41.74 | 12.71 | r 5.30 |
| 1953 | 584,350 | 10,777,426 | 4,856,275 | 45.06 | 12.03 | 5.42 |
| 1953--January | 48,743 | r 913,348 | 407,681 | 44.64 | 11.96 | 5.34 |
| February | 43,904 | r 847,313 | 361,936 | 42.72 | 12.13 | 5.18 |
| March | 55,040 | r 992,081 | 444,139 | 44.77 | 12.39 | 5.55 |
| April | 52,507 | r 997,483 | 436,477 | 43.76 | 12.03 | 5.26 |
| May | 49,336 | r 890,946 | 411,622 | 46.20 | 11.99 | 5.54 |
| June | 49,586 | r 923,982 | 414,130 | 44.82 | 11.97 | 5.37 |
| July | 49,732 | 892,610 | 413,803 | 46.36 | 12.02 | 5.57 |
| August | 45,833 | 835,452 | 394,054 | 47.17 | 11.63 | 5.49 |
| September | 50,460 | 928,130 | 416,674 | 44.89 | 12.11 | 5.44 |
| October | 49,446 | 822,015 | 396,474 | 48.23 | 12.47 | 6.02 |
| November | 46,602 | 838,233 | 384,570 | 45.88 | 12.12 | 5.56 |
| December | 43,162 | 895,833 | 374,715 | 41.84 | 11.52 | 4.82 |
| 1954--January | 39,117 | 836,512 | 339,679 | 40.61 | 11.52 | 4.68 |
| February | 40,313 | 815,706 | 348,214 | 42.69 | 11.58 | 4.94 |
| March | 42,122 | 873,400 | 374,938 | 42.93 | 11.23 | 4.82 |
| April | 49,958 | 943,057 | 406,228 | 43.08 | 12.30 | 5.30 |
| May | 42,363 | 829,731 | 377,429 | 45.49 | 11.22 | 5.11 |
| June | 46,668 | 971,607 | 402,141 | 41.39 | 11.60 | 4.80 |

r Revised.

[1] Amount of customs duties is calculated on basis of reports of Bureau of the Census showing quantity and value of merchandise imported. Figures back to 1867 can be found in annual reports for 1930, p. 523; 1932, p. 382; and corresponding tables in subsequent reports.

TABLE 95.--Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, calendar years 1943-53 and monthly January 1953-June 1954[1]

[Dollars in thousands]

| Calendar year and month | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Schedule 1.--Chemicals, oils, and paints | | | Schedule 2.--Earths, earthenware, and glassware | | | Schedule 3.--Metals and manufactures | | | Schedule 4.--Wood and manufactures | | |
| | | | *Percent* | | | *Percent* | | | *Percent* | | | *Percent* |
| 1943 | $7,634 | $41,480 | 18.40 | $4,071 | $18,399 | 22.13 | $31,434 | $120,054 | 26.18 | $1,642 | $27,852 | 5.90 |
| 1944 | 8,037 | 54,122 | 14.85 | 3,103 | 10,765 | 28.83 | 28,919 | 117,660 | 24.58 | 2,297 | 37,299 | 6.16 |
| 1945 | 10,051 | 71,859 | 13.99 | 3,884 | 14,760 | 26.31 | 38,496 | 150,019 | 25.66 | 2,867 | 44,563 | 6.43 |
| 1946 | 13,622 | 90,198 | 15.10 | 9,546 | 30,941 | 30.85 | 50,628 | 197,984 | 25.57 | 4,191 | 54,610 | 7.67 |
| 1947 | 16,578 | 119,282 | 13.90 | 13,643 | 44,308 | 30.79 | 51,079 | 246,376 | 20.73 | 3,073 | 42,112 | 7.30 |
| 1948 | 14,252 | 114,896 | 12.40 | 15,321 | 60,710 | 25.24 | 53,421 | 348,465 | 15.33 | 4,624 | 127,501 | 3.63 |
| 1949 | 10,635 | 77,975 | 13.64 | 16,220 | 59,496 | 27.26 | 48,513 | 337,977 | 14.35 | 4,564 | 97,541 | 4.68 |
| 1950 | 23,133 | 149,773 | 15.45 | 21,935 | 82,737 | 26.51 | 85,475 | 658,793 | 12.97 | 8,514 | 237,168 | 3.59 |
| 1951 | 25,749 | 200,441 | 12.85 | 31,663 | 120,317 | 26.32 | 108,145 | 927,602 | 11.66 | 9,866 | 211,560 | 4.66 |
| 1952 | 20,709 | 163,944 | 12.63 | 29,569 | 119,734 | 24.70 | 109,905 | 896,048 | 12.27 | 10,134 | 214,917 | 4.72 |
| 1953 | 26,558 | 192,725 | 13.78 | 32,073 | 138,249 | 23.20 | 140,408 | 1,204,829 | 11.65 | 13,520 | 237,326 | 5.70 |
| 1953--January | 1,998 | 16,072 | 12.43 | 2,206 | 10,144 | 21.75 | 10,659 | 94,573 | 11.27 | 1,090 | 16,956 | 6.43 |
| February | 1,888 | 13,628 | 13.85 | 2,094 | 8,986 | 23.30 | 9,944 | 87,312 | 11.39 | 968 | 17,334 | 5.58 |
| March | 2,268 | 18,277 | 12.41 | 2,670 | 11,253 | 23.73 | 13,308 | 112,342 | 11.85 | 1,190 | 20,913 | 5.69 |
| April | 2,607 | 19,754 | 13.20 | 2,873 | 13,142 | 21.86 | 12,581 | 110,157 | 11.42 | 1,183 | 19,545 | 6.05 |
| May | 2,341 | 16,704 | 14.01 | 2,616 | 11,205 | 23.35 | 12,427 | 109,233 | 11.38 | 1,208 | 20,938 | 5.77 |
| June | 2,477 | 17,508 | 14.15 | 2,704 | 12,351 | 21.89 | 12,986 | 114,317 | 11.36 | 1,266 | 23,698 | 5.34 |
| July | 2,343 | 16,291 | 14.38 | 2,779 | 12,293 | 22.61 | 12,983 | 113,071 | 11.48 | 1,136 | 21,866 | 5.20 |
| August | 2,023 | 14,042 | 14.41 | 2,775 | 11,966 | 23.19 | 11,067 | 99,533 | 11.12 | 1,077 | 21,089 | 5.11 |
| September | 2,470 | 16,394 | 15.07 | 2,969 | 12,165 | 24.41 | 11,587 | 95,833 | 12.09 | 1,055 | 20,941 | 5.04 |
| October | 2,117 | 14,662 | 14.44 | 3,152 | 12,492 | 25.23 | 11,869 | 97,215 | 12.21 | 1,161 | 19,671 | 5.90 |
| November | 1,889 | 13,280 | 14.22 | 2,866 | 11,422 | 25.09 | 11,091 | 88,286 | 12.56 | 1,106 | 17,923 | 6.17 |
| December | 2,138 | 16,113 | 13.27 | 2,369 | 10,831 | 21.87 | 9,906 | 82,959 | 11.94 | 1,081 | 16,452 | 6.57 |
| 1954--January | 1,583 | 11,212 | 14.12 | 1,992 | 9,304 | 21.41 | 8,653 | 74,846 | 11.56 | 1,038 | 12,433 | 8.35 |
| February | 1,867 | 13,290 | 14.05 | 2,083 | 9,638 | 21.61 | 9,409 | 78,281 | 12.02 | 1,080 | 15,825 | 6.82 |
| March | 1,686 | 12,517 | 13.47 | 2,216 | 10,676 | 20.76 | 9,248 | 82,814 | 11.17 | 1,043 | 18,747 | 5.56 |
| April | 2,364 | 16,522 | 14.31 | 3,042 | 12,436 | 24.46 | 10,170 | 85,144 | 11.94 | 1,376 | 18,889 | 7.28 |
| May | 1,982 | 13,784 | 14.38 | 2,391 | 11,182 | 21.38 | 9,637 | 89,175 | 9.92 | 1,146 | 16,644 | 6.89 |
| June | 2,267 | 15,456 | 14.67 | 2,605 | 12,299 | 21.18 | 11,192 | 102,061 | 10.97 | 1,219 | 21,134 | 5.77 |

Footnotes at end of table.

TABLE 95.--Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, calendar years 1943-53 and monthly January 1953-June 1954[1]--Continued

[Dollars in thousands]

| Calendar year and month | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Schedule 5.--Sugar, molasses, and manufactures | | | Schedule 6.--Tobacco and manufactures | | | Schedule 7.--Agricultural products and provisions | | | Schedule 8.--Spirits, wines, and other beverages | | |
| | | | Percent | | | Percent | | | Percent | | | Percent |
| 1943 | $55,730 | $194,349 | 28.68 | $23,044 | $43,209 | 53.33 | $40,256 | $248,557 | 16.20 | $61,563 | $83,094 | 74.09 |
| 1944 | 29,096 | 101,071 | 28.79 | 24,882 | 65,930 | 37.74 | 37,584 | 266,284 | 14.11 | 85,671 | 115,304 | 74.30 |
| 1945 | 10,430 | 35,418 | 29.45 | 28,253 | 82,278 | 34.34 | 42,542 | 314,005 | 13.55 | 45,340 | 67,923 | 66.75 |
| 1946 | 10,167 | 42,524 | 23.91 | 24,916 | 89,337 | 27.89 | 43,405 | 354,680 | 12.24 | 50,520 | 95,150 | 53.10 |
| 1947 | 67,280 | 436,404 | 15.42 | 25,757 | 92,367 | 27.89 | 36,347 | 311,800 | 11.66 | 31,718 | 67,305 | 47.13 |
| 1948 | 34,565 | 336,010 | 10.29 | 23,784 | 79,943 | 29.75 | 56,729 | 529,066 | 10.72 | 23,834 | 86,434 | 27.57 |
| 1949 | 37,206 | 345,663 | 10.76 | 23,522 | 75,278 | 31.25 | 51,914 | 489,055 | 10.62 | 24,145 | 89,594 | 26.95 |
| 1950 | 37,635 | 359,948 | 10.46 | 19,534 | 78,654 | 24.84 | 66,673 | 623,196 | 10.70 | 29,284 | 116,485 | 25.14 |
| 1951 | 34,957 | 368,691 | 9.48 | 20,484 | 87,831 | 23.32 | 71,369 | 785,114 | 9.09 | 31,456 | 125,405 | 25.08 |
| 1952 | 36,044 | 384,937 | 9.36 | 16,758 | 82,517 | 20.31 | 75,081 | 772,956 | 9.71 | 30,025 | 127,552 | 23.54 |
| 1953 | 35,845 | 372,383 | 9.63 | 17,000 | 84,481 | 20.12 | 71,218 | 775,318 | 9.19 | 35,899 | 152,422 | 23.55 |
| 1953--January | 3,093 | 32,066 | 9.65 | 1,467 | 7,241 | 20.26 | 7,232 | 70,911 | 10.20 | 1,893 | 8,183 | 23.13 |
| February | 2,518 | 26,264 | 9.59 | 1,325 | 6,629 | 19.99 | 6,100 | 57,369 | 10.63 | 2,044 | 8,401 | 24.33 |
| March | 4,328 | 43,602 | 9.93 | 1,462 | 7,337 | 19.93 | 8,031 | 67,429 | 11.91 | 2,801 | 11,732 | 23.87 |
| April | 4,240 | 43,555 | 9.73 | 1,302 | 6,560 | 19.85 | 6,942 | 71,151 | 9.76 | 2,443 | 10,564 | 23.13 |
| May | 3,708 | 36,115 | 10.27 | 1,395 | 6,913 | 20.18 | 5,173 | 58,198 | 8.89 | 2,729 | 11,396 | 23.95 |
| June | 3,288 | 34,601 | 9.50 | 1,483 | 7,489 | 19.80 | 4,532 | 53,059 | 8.54 | 2,645 | 11,235 | 23.54 |
| July | 3,481 | 35,989 | 9.67 | 1,233 | 6,109 | 20.18 | 4,899 | 59,851 | 8.19 | 2,720 | 11,264 | 24.15 |
| August | 3,961 | 40,383 | 9.81 | 1,527 | 7,783 | 19.62 | 4,800 | 60,207 | 7.97 | 2,404 | 10,270 | 23.41 |
| September | 3,125 | 32,375 | 9.65 | 1,622 | 7,975 | 20.34 | 5,602 | 70,100 | 7.99 | 3,382 | 14,356 | 23.56 |
| October | 1,491 | 16,991 | 8.78 | 1,525 | 7,579 | 20.12 | 5,314 | 62,165 | 8.55 | 4,800 | 19,459 | 24.67 |
| November | 1,284 | 14,865 | 8.64 | 1,412 | 6,938 | 20.35 | 6,634 | 77,103 | 8.60 | 4,391 | 19,144 | 22.94 |
| December | 1,327 | 15,577 | 8.52 | 1,248 | 5,929 | 21.05 | 5,957 | 67,775 | 8.79 | 3,647 | 16,417 | 22.21 |
| 1954--January | 2,956 | 34,877 | 8.48 | 1,309 | 6,352 | 20.61 | 5,467 | 51,775 | 10.56 | 2,133 | 9,076 | 23.50 |
| February | 3,360 | 32,345 | 10.39 | 1,286 | 6,315 | 20.36 | 5,841 | 57,201 | 10.21 | 2,335 | 9,588 | 24.35 |
| March | 4,141 | 38,829 | 10.66 | 1,461 | 7,184 | 20.34 | 6,549 | 56,791 | 11.53 | 2,527 | 10,499 | 24.07 |
| April | 4,213 | 42,470 | 9.92 | 1,461 | 7,329 | 19.93 | 7,169 | 72,567 | 9.88 | 2,970 | 12,449 | 23.86 |
| May | 3,656 | 38,516 | 9.49 | 1,401 | 6,851 | 20.45 | 5,420 | 62,453 | 8.68 | 2,616 | 11,204 | 23.35 |
| June | 3,584 | 35,440 | 10.11 | 1,475 | 7,401 | 19.93 | 5,109 | 58,772 | 8.69 | 2,980 | 12,458 | 23.92 |

| Calendar year and month | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Schedule 9.--Cotton manufactures | | | Schedule 10.--Flax, hemp, jute, and manufactures | | | Schedule 11.--Wool and manufactures | | | Schedule 12.--Silk manufactures | | |
| | | | *Percent* | | | *Percent* | | | *Percent* | | | *Percent* |
| 1943 | $2,707 | $8,946 | 30.26 | $4,857 | $40,635 | 11.95 | $134,360 | $218,316 | 61.54 | $209 | $438 | 47.72 |
| 1944 | 1,900 | 6,709 | 28.32 | 2,252 | 10,047 | 22.41 | 114,379 | 179,016 | 63.89 | 307 | 598 | 51.34 |
| 1945 | 4,533 | 26,392 | 17.18 | 3,982 | 17,863 | 22.29 | 144,039 | 229,513 | 62.76 | 927 | 1,928 | 48.08 |
| 1946 | 5,453 | 23,451 | 23.25 | 15,394 | 106,202 | 14.50 | 167,759 | 276,042 | 60.77 | 2,459 | 5,159 | 47.66 |
| 1947 | 4,921 | 15,986 | 30.78 | 13,878 | 149,880 | 9.26 | 95,072 | 199,090 | 47.75 | 5,272 | 10,930 | 48.23 |
| 1948 | 6,224 | 26,079 | 23.87 | 10,000 | 173,155 | 5.77 | 81,410 | 291,730 | 27.91 | 6,258 | 20,398 | 30.68 |
| 1949 | 5,376 | 22,510 | 23.88 | 7,035 | 141,656 | 4.97 | 58,040 | 239,329 | 24.25 | 5,670 | 21,483 | 26.40 |
| 1950 | 9,742 | 40,999 | 23.76 | 9,279 | 144,843 | 6.41 | 94,294 | 394,178 | 23.91 | 8,953 | 29,272 | 30.59 |
| 1951 | 10,875 | 47,661 | 22.82 | 11,098 | 184,027 | 6.03 | 103,170 | 721,552 | 14.30 | 9,672 | 31,687 | 30.52 |
| 1952 | 8,981 | 40,445 | 22.21 | 8,364 | 162,200 | 5.16 | 103,623 | 461,864 | 22.44 | 9,077 | 29,324 | 30.95 |
| 1953 | 12,329 | 57,206 | 21.55 | 8,565 | 124,147 | 6.90 | 75,769 | 339,238 | 22.34 | 8,972 | 29,678 | 30.23 |
| 1953--January | 884 | 3,911 | 22.60 | 872 | 14,013 | 6.22 | 7,751 | 35,454 | 21.86 | 887 | 2,834 | 31.30 |
| February | 827 | 3,503 | 23.61 | 731 | 11,385 | 6.42 | 6,804 | 31,467 | 21.62 | 651 | 2,112 | 30.82 |
| March | 1,080 | 4,754 | 22.72 | 847 | 12,214 | 6.93 | 6,712 | 30,028 | 22.35 | 653 | 2,210 | 29.55 |
| April | 1,035 | 4,844 | 21.37 | 755 | 11,026 | 6.85 | 7,282 | 32,921 | 22.12 | 576 | 1,985 | 29.02 |
| May | 960 | 4,470 | 21.48 | 635 | 9,388 | 6.76 | 7,107 | 30,401 | 23.38 | 526 | 1,789 | 29.40 |
| June | 1,025 | 4,727 | 21.68 | 603 | 8,964 | 6.73 | 7,145 | 30,926 | 23.10 | 595 | 1,990 | 29.90 |
| July | 966 | 4,551 | 21.23 | 602 | 8,781 | 6.86 | 6,791 | 29,174 | 23.28 | 755 | 2,479 | 30.46 |
| August | 956 | 4,608 | 20.75 | 587 | 8,372 | 7.01 | 5,377 | 24,552 | 21.90 | 892 | 2,951 | 30.23 |
| September | 1,218 | 5,759 | 21.15 | 711 | 9,464 | 7.51 | 6,127 | 26,857 | 22.81 | 896 | 2,967 | 30.20 |
| October | 1,217 | 5,838 | 20.85 | 759 | 10,629 | 7.14 | 5,624 | 25,549 | 22.01 | 919 | 3,065 | 29.98 |
| November | 1,127 | 5,364 | 21.01 | 734 | 10,010 | 7.33 | 4,673 | 21,547 | 21.69 | 811 | 2,614 | 31.03 |
| December | 1,033 | 4,878 | 21.18 | 729 | 9,902 | 7.36 | 4,376 | 20,362 | 21.49 | 811 | 2,683 | 30.23 |
| 1954--January | 883 | 4,033 | 21.89 | 890 | 8,556 | 10.40 | 4,121 | 20,628 | 19.98 | 603 | 1,982 | 30.42 |
| February | 936 | 4,154 | 22.53 | 698 | 10,210 | 6.84 | 3,415 | 16,666 | 20.49 | 550 | 1,853 | 29.68 |
| March | 766 | 3,422 | 22.38 | 690 | 11,418 | 6.04 | 4,007 | 20,305 | 19.73 | 517 | 1,711 | 30.22 |
| April | 1,314 | 6,129 | 21.44 | 753 | 10,263 | 7.34 | 5,528 | 25,701 | 21.51 | 512 | 1,770 | 28.93 |
| May | 892 | 4,361 | 20.45 | 557 | 8,755 | 6.36 | 4,948 | 22,413 | 22.08 | 399 | 1,362 | 29.30 |
| June | 916 | 4,494 | 20.38 | 583 | 7,858 | 7.42 | 5,911 | 27,071 | 21.84 | 437 | 1,448 | 30.18 |

Footnotes at end of table.

TABLE 95.--Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, calendar years 1943-53 and monthly January 1953-June 1954[1]--Continued

[Dollars in thousands]

| Calendar year and month | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports | Estimated duties | Value of dutiable imports | Ratio of duties to imports |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Schedule 13.--Manufactures of rayon or other synthetic textiles | | | Schedule 14.--Pulp, paper, and books | | | Schedule 15.--Sundries | | | Free-list commodities taxable under the Revenue Act of 1932 and subsequent acts[2] dutiable under Section 466, Tariff Act of 1930, etc. | | |
| | | | *Percent* | | | *Percent* | | | *Percent* | | | *Percent* |
| 1943 | $113 | $219 | 51.60 | $1,029 | $7,432 | 13.85 | $17,457 | $115,815 | 15.07 | $5,163 | $38,506 | 13.41 |
| 1944 | 198 | 362 | 54.70 | 1,038 | 7,711 | 13.46 | 21,069 | 118,006 | 17.85 | 7,502 | 73,677 | 10.18 |
| 1945 | 1,252 | 2,529 | 49.51 | 1,260 | 8,773 | 14.36 | 33,008 | 170,234 | 19.39 | 11,347 | 112,430 | 10.09 |
| 1946 | 5,341 | 15,819 | 33.76 | 1,980 | 15,692 | 12.62 | 60,854 | 334,444 | 18.20 | 16,626 | 156,996 | 10.59 |
| 1947 | 4,623 | 15,686 | 29.47 | 3,186 | 23,304 | 13.67 | 39,468 | 207,728 | 19.00 | 15,784 | 231,207 | 6.83 |
| 1948 | 6,744 | 28,136 | 23.97 | 3,442 | 29,803 | 11.54 | 45,419 | 267,551 | 16.98 | 18,750 | 389,100 | 4.82 |
| 1949 | 1,706 | 7,233 | 23.59 | 2,199 | 21,443 | 10.26 | 43,374 | 225,844 | 19.21 | 24,499 | 457,636 | 5.35 |
| 1950 | 7,877 | 35,209 | 22.37 | 2,691 | 27,144 | 9.91 | 61,370 | 338,043 | 18.15 | 35,947 | 650,803 | 5.52 |
| 1951 | 9,296 | 49,146 | 18.92 | 3,673 | 39,231 | 9.36 | 58,832 | 336,008 | 17.51 | 50,956 | 615,319 | 8.28 |
| 1952 | 6,112 | 34,563 | 17.68 | 3,677 | 38,649 | 9.51 | 57,135 | 294,740 | 19.38 | 44,868 | 661,974 | 6.78 |
| 1953 | 6,270 | 31,833 | 19.70 | 4,712 | 48,841 | 9.65 | 63,863 | 316,276 | 20.19 | 31,350 | 751,322 | 4.17 |
| 1953--January | 497 | 2,602 | 19.10 | 367 | 3,694 | 9.94 | 5,086 | 25,525 | 19.93 | 2,762 | 63,504 | 4.35 |
| February | 559 | 2,870 | 19.48 | 370 | 3,790 | 9.76 | 4,710 | 24,536 | 19.20 | 2,372 | 56,350 | 4.21 |
| March | 816 | 4,544 | 17.96 | 451 | 4,680 | 9.64 | 5,514 | 28,333 | 19.46 | 2,908 | 64,492 | 4.51 |
| April | 733 | 4,262 | 17.20 | 455 | 4,665 | 9.75 | 4,900 | 25,484 | 19.23 | 2,601 | 56,863 | 4.57 |
| May | 515 | 2,603 | 19.78 | 376 | 3,916 | 9.60 | 4,729 | 24,488 | 19.31 | 2,891 | 63,866 | 4.53 |
| June | 660 | 3,326 | 19.84 | 419 | 4,377 | 9.57 | 5,105 | 26,096 | 19.56 | 2,654 | 59,466 | 4.46 |
| July | 631 | 3,328 | 18.96 | 418 | 4,343 | 9.62 | 5,496 | 26,609 | 20.65 | 2,499 | 57,805 | 4.32 |
| August | 496 | 2,498 | 19.86 | 355 | 3,736 | 9.50 | 5,272 | 24,887 | 21.18 | 2,266 | 57,176 | 3.96 |
| September | 416 | 1,889 | 22.02 | 353 | 3,791 | 9.31 | 6,174 | 29,143 | 21.19 | 2,752 | 66,667 | 4.13 |
| October | 325 | 1,333 | 24.38 | 410 | 4,310 | 9.51 | 6,268 | 30,037 | 20.87 | 2,494 | 65,479 | 3.31 |
| November | 291 | 1,251 | 23.26 | 361 | 3,630 | 9.94 | 5,506 | 25,571 | 21.53 | 2,425 | 65,622 | 3.70 |
| December | 333 | 1,328 | 25.08 | 377 | 3,910 | 9.64 | 5,103 | 25,567 | 19.96 | 2,726 | 74,033 | 3.68 |
| 1954--January | 313 | 1,025 | 30.54 | 332 | 3,395 | 9.78 | 4,231 | 21,020 | 20.12 | 2,613 | 69,162 | 3.78 |
| February | 380 | 1,452 | 26.17 | 323 | 3,281 | 9.84 | 4,319 | 21,234 | 20.34 | 2,432 | 66,880 | 3.64 |
| March | 351 | 1,464 | 23.98 | 358 | 3,572 | 10.02 | 3,767 | 19,292 | 19.53 | 2,796 | 75,696 | 3.69 |
| April | 455 | 2,024 | 22.48 | 457 | 4,710 | 9.70 | 5,618 | 26,998 | 20.81 | 2,554 | 60,830 | 4.20 |
| May | 328 | 1,363 | 24.06 | 333 | 3,436 | 9.69 | 4,299 | 22,906 | 18.77 | 2,359 | 63,025 | 3.74 |
| June | 429 | 1,838 | 23.34 | 395 | 4,169 | 9.47 | 5,004 | 25,124 | 19.92 | 2,562 | 65,117 | 3.93 |

[1] Amount of customs duties is calculated on basis of reports of Bureau of the Census, showing quantity and value of merchandise imported. Total estimated duties and total value of dutiable imports will be found in table 96. For figures back to 1890 see annual reports for 1930, p. 525; 1932, p. 383; and corresponding tables in subsequent reports.

[2] Taxes collected on dutiable commodities under revenue acts and Sugar Act of 1937 are included in appropriate schedules.

TABLE 96.--Value of dutiable imports for consumption and estimated duties collected, by countries, fiscal years 1953 and 1954

| Country | Value | | Duty | | Percentage increase, or decrease (-) | |
|---|---|---|---|---|---|---|
| | 1953 | 1954 | 1953 | 1954 | Value | Duty |
| North America: | | | | | | |
| Canada and Newfoundland | $993,526,915 | $962,540,500 | $64,022,533 | $62,716,456 | -3.1 | -2.0 |
| Cuba | 392,649,387 | 380,905,356 | 39,994,654 | 39,867,061 | -3.0 | - .3 |
| Central American countries | 8,154,331 | 8,691,173 | 844,128 | 674,817 | 6.6 | -20.1 |
| Dominican Republic | 16,514,536 | 15,432,479 | 1,580,561 | 1,200,869 | -6.6 | -24.0 |
| Haiti | 3,093,616 | 2,117,766 | 318,271 | 228,472 | -31.5 | -28.2 |
| Jamaica | 7,017,503 | 14,076,052 | 634,985 | 1,022,367 | 100.6 | 61.0 |
| Mexico | 196,845,742 | 140,334,129 | 21,979,430 | 15,584,254 | -28.7 | -29.1 |
| Netherlands Antilles | 99,607,665 | 101,267,328 | 4,898,324 | 3,083,086 | 1.7 | -37.1 |
| Trinidad and Tobago | 4,382,893 | 3,214,096 | 345,498 | 218,781 | -26.7 | -36.7 |
| Other | 2,276,754 | 2,395,091 | 170,918 | 164,564 | 5.2 | -3.7 |
| Total North America | 1,724,169,342 | 1,630,973,970 | 134,789,302 | 124,760,727 | -5.4 | -7.4 |
| South America: | | | | | | |
| Argentina | 129,854,778 | 74,667,431 | 24,038,411 | 13,027,914 | -42.5 | -45.8 |
| Bolivia | 1,957,837 | 7,337,033 | 140,628 | 589,531 | 274.8 | 319.2 |
| Brazil | 40,261,855 | 36,092,247 | 3,252,698 | 2,958,099 | -10.4 | -9.1 |
| Chile | 9,053,393 | 5,326,555 | 1,864,981 | 465,918 | -41.2 | -75.0 |
| Colombia | 39,025,507 | 40,867,668 | 1,891,367 | 1,406,182 | 4.7 | -25.7 |
| Ecuador | 5,480,159 | 5,144,092 | 439,550 | 382,435 | -6.1 | -13.0 |
| Paraguay | 6,182,020 | 3,137,792 | 753,629 | 237,938 | -49.2 | -68.4 |
| Peru | 39,590,489 | 54,725,155 | 4,059,429 | 5,258,959 | 38.2 | 29.6 |
| Surinam | 17,480,787 | 18,581,613 | 1,370,796 | 1,458,501 | 6.3 | 6.4 |
| Uruguay | 77,843,897 | 31,780,183 | 18,031,087 | 6,510,959 | -59.2 | -63.9 |
| Venezuela | 329,687,390 | 388,869,494 | 17,869,955 | 13,498,257 | 18.0 | -24.5 |
| Other | 2,391,731 | 2,176,614 | 155,537 | 146,584 | -9.0 | -5.8 |
| Total South America | 698,809,843 | 668,705,877 | 73,868,068 | 45,941,277 | -4.3 | -37.8 |
| Europe: | | | | | | |
| Austria | 27,031,821 | 27,427,770 | 3,880,365 | 4,464,941 | 1.5 | 15.1 |
| Belgium | 168,908,642 | 149,121,197 | 18,916,578 | 17,163,260 | -11.7 | -9.3 |
| Czechoslovakia | 743,866 | 2,235,423 | 191,713 | 638,276 | 200.5 | 232.9 |
| Denmark | 26,568,567 | 35,601,347 | 2,495,471 | 2,657,863 | 34.0 | 6.5 |
| Finland | 7,552,843 | 11,800,838 | 1,007,132 | 1,487,858 | 56.2 | 47.7 |
| France | 140,263,891 | 131,279,601 | 24,421,184 | 23,274,258 | -6.4 | -4.7 |
| Germany | 196,500,364 | 209,730,515 | 34,203,646 | 35,572,493 | 6.7 | 4.0 |
| Greece | 17,326,438 | 18,222,563 | 2,889,233 | 3,112,121 | 5.2 | 7.7 |
| Hungary | 1,877,087 | 1,094,507 | 494,023 | 260,729 | -41.7 | -47.2 |
| Iceland | 7,079,676 | 7,650,045 | 802,568 | 800,146 | 8.1 | -.3 |
| Ireland | 4,865,203 | 2,542,887 | 627,245 | 381,311 | -47.7 | -39.2 |
| Italy | 132,370,628 | 122,920,510 | 26,485,214 | 24,786,845 | -7.1 | -6.4 |
| Netherlands | 93,659,441 | 119,856,062 | 8,485,029 | 10,116,191 | 28.0 | 19.2 |
| Norway | 35,770,024 | 32,539,909 | 2,981,488 | 2,602,820 | -9.0 | -12.7 |
| Poland | 13,013,261 | 14,686,880 | 1,062,063 | 1,190,725 | 12.9 | 12.1 |
| Portugal | 15,105,468 | 17,366,502 | 3,403,092 | 4,125,546 | 15.0 | 21.2 |
| Spain | 56,784,010 | 48,318,962 | 10,047,606 | 8,609,731 | -14.9 | -14.3 |
| Sweden | 35,267,631 | 32,284,110 | 4,790,059 | 4,090,968 | -8.5 | -14.6 |
| Switzerland | 139,255,949 | 137,114,216 | 39,546,005 | 37,500,172 | -1.5 | -5.2 |
| Turkey | 43,225,748 | 40,757,995 | 9,648,353 | 9,423,591 | -5.7 | -2.3 |
| United Kingdom | 370,749,311 | 365,001,490 | 69,663,425 | 67,597,042 | -1.6 | -3.0 |
| U.S.S.R. | 1,887,738 | 1,346,585 | 224,110 | 155,569 | -28.7 | -30.6 |
| Yugoslavia | 24,481,164 | 19,723,714 | 2,329,964 | 2,367,140 | -19.4 | 1.6 |
| Other | 1,044,341 | 1,236,023 | 441,903 | 447,690 | 18.4 | 1.3 |
| Total Europe | 1,561,333,112 | 1,549,860,051 | 269,037,469 | 262,827,286 | -.7 | -2.3 |
| Asia: | | | | | | |
| Arabia Peninsula States | 122,535,142 | 126,357,745 | 9,802,799 | 7,689,648 | 3.1 | -21.6 |
| British Malaya | 1,177,279 | 1,137,240 | 142,830 | 141,960 | -3.4 | -.6 |
| Burma | 1,910,919 | 3,080,575 | 537,521 | 814,680 | 61.2 | 51.6 |
| China and Manchuria | 6,230,915 | 495,170 | 667,585 | 116,903 | -93.1 | -82.5 |
| Hong Kong | 7,687,589 | 8,612,153 | 2,284,330 | 2,262,407 | 12.0 | -1.0 |
| India | 161,236,634 | 121,473,445 | 9,251,345 | 7,528,619 | -24.7 | -18.6 |
| Indonesia | 21,669,805 | 30,863,003 | 1,833,380 | 2,010,355 | 42.4 | 9.7 |
| Iran | 11,449,923 | 13,504,714 | 1,678,109 | 1,839,528 | 17.9 | 9.6 |
| Iraq | 7,586,606 | 8,151,662 | 1,028,609 | 971,906 | 7.4 | -5.5 |
| Israel and Palestine | 10,615,962 | 12,192,570 | 1,134,003 | 1,294,214 | 14.9 | 14.1 |
| Japan | 195,645,077 | 192,332,894 | 50,079,855 | 50,934,774 | -1.7 | 1.7 |
| Korea | 20,145,684 | 29,421,099 | 2,614,295 | 3,571,711 | 46.0 | 36.6 |
| Outer Mongolia | 314,657 | 6,638,785 | 27,789 | 486,642 | 2,009.8 | 1,651.2 |
| Syria | 2,284,516 | 1,361,641 | 584,733 | 493,987 | -40.4 | -15.5 |
| Taiwan | 3,741,265 | 3,543,055 | 657,534 | 542,326 | -5.3 | -17.5 |
| Thailand | 6,331,802 | 3,263,528 | 985,774 | 586,022 | -48.5 | -40.6 |
| Other | 7,763,122 | 5,123,249 | 734,769 | 588,175 | -34.0 | -20.0 |
| Total Asia | 588,326,897 | 567,552,528 | 84,045,260 | 81,873,857 | -3.5 | -2.6 |

TABLE 96.--Value of dutiable imports for consumption and estimated duties collected, by countries, fiscal years 1953 and 1954--Continued

| Country | Value | | Duty | | Percentage increase, or decrease (-) | |
|---|---|---|---|---|---|---|
| | 1953 | 1954 | 1953 | 1954 | Value | Duty |
| Oceania: | | | | | | |
| Australia | $107,067,320 | $93,052,271 | $18,841,540 | $13,534,027 | -13.1 | -28.2 |
| New Zealand | 47,459,526 | 20,424,480 | 11,752,993 | 4,466,406 | -57.0 | -62.0 |
| Other | 840,545 | 848,838 | 57,635 | 63,195 | 1.0 | 9.6 |
| Total Oceania | 155,367,391 | 114,325,589 | 30,652,168 | 18,063,628 | -26.4 | -41.1 |
| Africa: | | | | | | |
| Anglo-Egyptian Sudan | 1,659,264 | 2,921,802 | 94,736 | 188,337 | 76.1 | 98.8 |
| Angola | 2,735,499 | 2,030,381 | 146,693 | 127,809 | -25.8 | -12.9 |
| Belgian Congo | 2,389,594 | 4,561,198 | 151,068 | 393,497 | 90.9 | 160.5 |
| British East Africa | 2,191,779 | 1,691,960 | 194,506 | 116,217 | -22.8 | -40.2 |
| Egypt | 29,390,813 | 18,724,188 | 2,163,391 | 1,552,484 | -36.3 | -28.2 |
| French Morocco | 6,413,719 | 6,488,626 | 525,679 | 593,206 | 1.2 | 12.8 |
| Gold Coast | 11,903,215 | 13,003,986 | 713,400 | 659,932 | 9.2 | -7.5 |
| Madeira Islands | 3,247,210 | 3,282,000 | 1,629,462 | 1,699,486 | 1.1 | 4.3 |
| Madagascar | 3,966,610 | 5,829,653 | 197,489 | 176,199 | 47.0 | 10.8 |
| Tunisia | 661,208 | 1,138,451 | 117,849 | 167,536 | 72.2 | 42.2 |
| Union of South Africa | 41,952,189 | 56,040,964 | 5,955,798 | 6,140,301 | 33.6 | 3.1 |
| Other | 3,493,810 | 3,761,642 | 398,263 | 494,561 | 7.7 | 24.2 |
| Total Africa | 110,004,910 | 119,474,851 | 12,288,334 | 12,309,565 | 8.6 | .2 |
| Grand total | 4,838,011,495 | [1]4,650,892,866 | 604,680,601 | 545,776,340 | -3.9 | -9.7 |

[1] Beginning with April 1954, no distribution was made by countries of the value of imports having a value of $250, or less, covered by informal entries and informal mail entries. For the period July 1, 1953, to March 31, 1954, the value of such merchandise aggregated $21,973,810. Therefore, the total value of imports in this table exceeds that shown in table 92 by the above amount.

TABLE 97.--Merchandise entries by number, fiscal years 1953 and 1954

| Type | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Consumption entries | 909,114 | 863,701 | -5.0 |
| Warehouse and rewarehouse entries | 72,300 | 66,763 | -7.7 |
| Warehouse withdrawals | 310,100 | 307,778 | -.7 |
| Mail entries | 647,552 | 524,852 | -18.9 |
| Baggage entries | 1,853,703 | 1,951,075 | 5.2 |
| Informal entries | 432,646 | 428,349 | -1.0 |
| Appraisement entries | 10,720 | 7,875 | -26.5 |
| All other | 647,798 | 749,632 | 15.7 |
| Total | 4,883,933 | 4,900,025 | .3 |

TABLE 98.--Vehicles and persons entering the United States by number, fiscal years 1953 and 1954[1]

| Kind of entrant | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Vehicles: | | | |
| Automobiles and busses | 27,149,015 | 28,564,058 | 5.2 |
| Documented vessels | 49,464 | 48,499 | -2.0 |
| Undocumented vessels | 21,994 | 21,085 | -4.1 |
| Ferries | 134,382 | 122,964 | -8.5 |
| Passenger trains | 25,797 | 24,311 | -5.8 |
| Freight cars | 2,418,190 | 2,330,777 | -3.6 |
| Aircraft | 95,920 | 99,906 | 4.2 |
| Other vehicles | 1,038,860 | 971,584 | -6.5 |
| Passengers by: | | | |
| Automobiles and busses | 80,278,349 | 79,209,175 | -1.3 |
| Documented vessels | 864,625 | 845,424 | -2.2 |
| Undocumented vessels | 210,807 | 75,184 | -64.3 |
| Ferries | 2,357,576 | 2,526,971 | 7.2 |
| Passenger trains | 1,412,219 | 1,375,583 | -2.6 |
| Aircraft | 1,562,413 | 1,693,070 | 8.4 |
| Other vehicles | 7,130,725 | 6,283,609 | -11.9 |
| Pedestrians | 24,100,503 | 22,065,010 | -8.4 |
| Total passengers and pedestrians | 117,917,217 | 114,074,026 | -3.3 |

[1] Excludes San Juan and the Virgin Islands.

TABLE 99 --Airplanes and airplane passengers entering the United States by number, fiscal years 1953 and 1954

| District | Airplanes | | Airplane passengers | | Percentage increase, or decrease (-) | |
|---|---|---|---|---|---|---|
| | 1953 | 1954 | 1953 | 1954 | Airplanes | Passengers |
| Maine and New Hampshire | 550 | 719 | 1,435 | 3,820 | 30.7 | 166.2 |
| Vermont | 1,845 | 1,897 | 13,914 | 16,784 | 2.8 | 20.6 |
| Massachusetts | 7,812 | 10,113 | 108,709 | 121,077 | 29.5 | 11.4 |
| St. Lawrence | 733 | 650 | 1,866 | 1,617 | -11.3 | -13.4 |
| Rochester | 507 | 546 | 7,046 | 8,032 | 7.7 | 14.0 |
| Buffalo | 2,465 | 2,875 | 32,484 | 43,299 | 16.6 | 33.3 |
| New York | 16,688 | 16,169 | 489,758 | 556,616 | -3.1 | 13.7 |
| Philadelphia | 195 | 432 | 844 | 1,108 | 121.5 | 31.3 |
| Maryland | 927 | 1,076 | 16,738 | 19,517 | 16.1 | 16.6 |
| Norfolk | 446 | 1,401 | 7,249 | 9,712 | 214.1 | 34.0 |
| Florida | 23,316 | 24,321 | 382,848 | 396,402 | 4.3 | 3.5 |
| New Orleans | 1,437 | 1,591 | 30,780 | 30,214 | 10.7 | -1.8 |
| Galveston | 565 | 629 | 15,076 | 14,321 | 11.3 | -5.0 |
| Laredo | 3,940 | 4,229 | 60,783 | 64,156 | 7.3 | 5.5 |
| El Paso | 2,287 | 1,190 | 8,564 | 3,082 | -48.0 | -64.0 |
| San Diego | 1,612 | 1,618 | 4,289 | 4,334 | .4 | 1.0 |
| Nogales | 2,596 | 1,325 | 11,967 | 2,920 | -49.0 | -75.6 |
| Los Angeles | 1,820 | 1,956 | 36,593 | 29,669 | 7.5 | -18.9 |
| Washington | 4,691 | 5,392 | 59,310 | 65,220 | 14.9 | 10.0 |
| Alaska | 2,197 | 1,830 | 13,454 | 14,110 | -16.7 | 4.9 |
| Hawaii | 7,410 | 6,291 | 152,804 | 165,612 | -15.1 | 8.4 |
| Montana and Idaho | 1,952 | 1,737 | 15,168 | 10,918 | -11.0 | -28.0 |
| Dakota | 1,325 | 1,502 | 14,651 | 16,087 | 13.4 | 9.8 |
| Minnesota | 349 | 486 | 3,218 | 4,215 | 39.3 | 31.0 |
| Duluth and Superior | 1,622 | 1,742 | 3,766 | 3,795 | 7.4 | .8 |
| Michigan | 1,935 | 2,298 | 3,747 | 5,376 | 18.8 | 43.5 |
| Chicago | 918 | 1,191 | 27,668 | 34,443 | 29.7 | 24.5 |
| Cleveland | 2,634 | 2,954 | 23,668 | 28,532 | 12.1 | 20.6 |
| Other | 1,146 | 1,746 | 14,016 | 18,082 | 52.4 | 29.0 |
| Total | 95,920 | 99,906 | 1,562,413 | 1,693,070 | 4.2 | 8.4 |

TABLE 100.--Drawback transactions, fiscal years 1953 and 1954

| Transactions | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| | *Number* | *Number* | |
| Drawback entries received | 12,286 | 13,590 | 10.6 |
| Notices of exportation received | 143,098 | 174,234 | 21.8 |
| Notices of lading | 2,796 | 2,686 | -3.9 |
| Certificates of manufacture received | 7,163 | 6,954 | -2.9 |
| Import entries used in drawback liquidation | 13,258 | 15,885 | 19.8 |
| Certificates of importation issued | 3,851 | 4,574 | 18.8 |
| Drawback allowed: | *Amount* | *Amount* | |
| Manufactured from imported or substituted merchandise | $6,050,348.60 | $7,191,062.24 | 18.9 |
| Duty paid on merchandise exported from continuous customs custody | 159,503.40 | 30,802.89 | -80.7 |
| Merchandise which did not conform to sample specifications and returned to customs custody and exported | 187,871.19 | 294,003.95 | 56.5 |
| Imported materials used in construction and equipment of vessels built for foreigners | ............. | 4,028.76 | .............. |
| Total drawback allowed | 6,397,723.19 | 7,519,897.84 | 17.5 |
| Internal revenue refund on account of domestic alcohol | 856,091.74 | 646,324.14 | -24.5 |
| Total | 7,253,814.93 | 8,166,221.98 | 12.6 |

TABLE 101.--Principal commodities on which drawback was paid, fiscal years 1953 and 1954

| Commodity | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Watch movements and parts | $395,721 | $990,981 | 150.42 |
| Lead ore, matte, pigs | 649,972 | 666,357 | 2.5 |
| Tobacco, unmanufactured | 745,998 | 629,667 | -15.6 |
| Sugar | 475,346 | 553,432 | 16.4 |
| Petroleum, crude | 500,091 | 388,083 | -22.4 |
| Aluminum | 323,360 | 366,904 | 13.5 |
| Zinc ore, blocks, and manufactures | 308,502 | 333,116 | 8.0 |
| Machinery and parts | 40,393 | 294,890 | 630.1 |
| Automobiles and aircraft parts | 87,046 | 281,995 | 224.0 |
| Copper | 193,112 | 220,242 | 14.0 |
| Cotton cloth | 409,830 | 195,149 | -52.4 |
| Rayon and other synthetic textiles | 82,034 | 194,164 | 136.7 |
| Tungsten ore and powder | 223,962 | 164,757 | -26.4 |
| Iron and steel scrap | 54,994 | 164,227 | 198.6 |
| Bauxite | 7,128 | 135,967 | 1,807.5 |
| Manganese | 112,498 | 114,816 | 2.1 |
| Steel mill products | 42,725 | 106,499 | 149.3 |
| Paper and manufactures | 117,340 | 98,674 | -15.9 |
| Chemicals | 93,868 | 90,590 | -3.5 |
| Flax and hemp yarn | 3,061 | 89,897 | 2,836.9 |
| Tires and tubes, rubber and synthetic | 14,707 | 62,033 | 321.8 |
| Coal tar products | 206,713 | 45,980 | -77.8 |
| Barley | 16,782 | 45,692 | 172.3 |
| Nickel | 32,592 | 47,425 | 45.5 |
| Burlap | 47,218 | 43,718 | -7.4 |
| Magnesite | 56,091 | 40,506 | -27.8 |
| Carpets and rugs | 40,603 | 40,289 | -.8 |
| Nuts and preparations | 20,637 | 32,404 | 57.0 |
| Quicksilver | 37,091 | 29,795 | -19.9 |
| Electrical machinery | 10,307 | 29,682 | 188.0 |
| Wool | 104,344 | 27,440 | -73.7 |
| Precious stones | 21,779 | 24,063 | 10.5 |

TABLE 102.--Seizures for violations of customs laws, fiscal years 1953 and 1954

| Seizures | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Automobiles and trucks: | | | |
| Number[1] | r 579 | 515 | -11.1 |
| Value | $672,525 | $543,714 | -19.2 |
| Aircraft: | | | |
| Number[1] | 8 | 4 | -50.0 |
| Value | $567,500 | $22,750 | -96.0 |
| Boats: | | | |
| Number[1] | 36 | 35 | -2.8 |
| Value | $18,218,130 | $12,980,236 | -28.8 |
| Narcotics: | | | |
| Number | 1,007 | 1,013 | .6 |
| Value | $239,064 | $146,029 | -38.9 |
| Liquors: | | | |
| Number | 3,424 | 3,876 | 13.2 |
| Gallons | 4,694 | 17,459 | 272.0 |
| Value | $121,412 | $216,332 | 78.2 |
| Prohibited articles (obscene, lottery, etc.): | | | |
| Number | 1,641 | 1,856 | 13.1 |
| Value | $57,072 | $36,924 | -35.3 |
| Other seizures: | | | |
| Number | 6,432 | 5,897 | -8.3 |
| Value: | | | |
| Cameras | $45,390 | $23,166 | -49.0 |
| Edibles and farm products | 1,862,898 | 1,178,732 | -36.7 |
| Furs--skins and manufactures | 4,550 | 10,390 | 128.4 |
| Guns and ammunition | 32,953 | 56,126 | 70.3 |
| Jewelry, including gems | 211,512 | 592,756 | 180.2 |
| Livestock | 109,991 | 1,086,256 | 887.6 |
| Tobacco and manufactures | 23,845 | 11,059 | -53.6 |
| Watches and parts | 18,996 | 46,258 | 143.5 |
| Wearing apparel | 75,141 | 81,344 | 8.3 |
| Miscellaneous | 1,113,425 | 1,938,429 | 74.1 |
| Total value of other seizures | 3,498,701 | 5,024,516 | 43.6 |
| Grand total: | | | |
| Number[1] | 12,504 | 12,642 | 1.1 |
| Value | $23,374,404 | $18,970,501 | -18.9 |

r Revised.

[1] Total number of seizures does not include number of automobiles, trucks, aircraft, and boats seized since these are seized frequently in connection with seizures of liquor, narcotics, etc.

TABLE 103. --Seizures for violations of customs laws, classified according to agencies participating, fiscal year 1954

| Seizures | Seizures by customs officers | Seizures by other agencies | Joint seizures by Customs and other agencies | Total |
|---|---|---|---|---|
| Automobiles: | | | | |
| Number[1] | 334 | 30 | 35 | 399 |
| Value | $274,403 | $28,712 | $25,215 | $328,330 |
| Trucks: | | | | |
| Number[1] | 97 | 13 | 6 | 116 |
| Value | $197,969 | $15,740 | $1,675 | $215,384 |
| Aircraft: | | | | |
| Number[1] | 4 | ............ | ............ | 4 |
| Value | $22,750 | ............ | ............ | $22,750 |
| Boats: | | | | |
| Number[1] | 28 | 4 | 3 | 35 |
| Value | $9,750,456 | $9,780 | $3,220,000 | $12,980,236 |
| Narcotics: | | | | |
| Number | 961 | 10 | 42 | 1,013 |
| Value | $134,682 | $3,494 | $7,853 | $146,029 |
| Liquors: | | | | |
| Number | 3,845 | 20 | 11 | 3,876 |
| Gallons | 17,388 | 56 | 15 | 17,459 |
| Value | $214,782 | $1,221 | $329 | $216,332 |
| Prohibited articles: | | | | |
| Number | 1,845 | 5 | 6 | 1,856 |
| Value | $29,052 | $7,440 | $432 | $36,924 |
| Other seizures: | | | | |
| Number | 5,613 | 209 | 75 | 5,897 |
| Value | $5,001,369 | $8,620 | $14,527 | $5,024,516 |
| Total seizures: | | | | |
| Number[1] | 12,264 | 244 | 134 | 12,642 |
| Value | $15,625,463 | $75,007 | $3,270,031 | $18,970,501 |

[1] Total number of seizures does not include number of automobiles, trucks, aircraft, and boats seized since these are seized frequently in connection with seizures of liquor, narcotics, etc.

TABLE 104.--Investigative and patrol activities, fiscal years 1953 and 1954

| Activity | 1953 | 1954 | Percentage increase, or decrease (-) |
|---|---|---|---|
| Investigations of violations of customs laws: | | | |
| Undervaluation | 2,071 | 1,913 | -7.6 |
| Marking violations | 86 | 74 | -14.0 |
| Baggage violations | 944 | 692 | -26.7 |
| Diamond and jewelry smuggling | 729 | 698 | -4.3 |
| Narcotic smuggling | 2,760 | 3,140 | 13.8 |
| Other smuggling | 1,214 | 1,377 | 13.4 |
| Touring permits | 1,968 | 1,121 | -43.0 |
| Navigation, aircraft, and vehicle violations | 1,425 | 1,008 | -29.3 |
| Prohibited importations | 89 | 51 | -42.7 |
| Other investigations: | | | |
| Alleged erroneous customs procedure | 197 | 129 | -34.5 |
| Drawback | 863 | 804 | -6.8 |
| Classification and market value | 789 | 781 | -1.0 |
| Application for customhouse brokers' licenses | 138 | 126 | -8.7 |
| Application for bonded truckmen's licenses | 132 | 192 | 45.5 |
| Petitions for relief from additional duty | 636 | 616 | -3.2 |
| Personnel | 754 | 1,043 | 38.3 |
| Pilferage of merchandise | 251 | 198 | -21.1 |
| Export control | 1,200 | 768 | -36.0 |
| Miscellaneous | 1,530 | 1,515 | -1.0 |
| Examination of customhouse brokers' records | 348 | 572 | 64.4 |
| Cases of cooperation with other agencies | 1,762 | 2,300 | 30.6 |

## FEDERAL AID TO STATES

TABLE 105.--Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1954

| Appropriation titles | 1930 | 1940 | 1950 | 1954 |
|---|---|---|---|---|
| **I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS** | | | | |
| DEPARTMENT OF AGRICULTURE | | | | |
| Payments to States, Hawaii, Alaska, and Puerto Rico, Office of Experiment Stations, Agricultural Research Administration (7 U. S. C. 361-427j) .... | $4,335,000 | $6,848,149 | $7,399,422 | $13,251,611 |
| Payments to States and Territories for agricultural experiment stations (7 U. S. C. 301-308, 361-386f, 369a, 427-427g) .......... | | | | |
| Cooperative agricultural extension work (7 U. S. C. 301-308, 341-348, 343c-343e, 343f, 343g) .......... | 7,539,786 | 18,458,267 | 31,025,919 | 31,540,393 |
| Payments to States, Hawaii, Alaska, and Puerto Rico for cooperative agricultural extension work (7 U. S. C. 343, 386b, 386f) .......... | | | | |
| Payments to States and Territories from the national forests fund (16 U. S. C. 500) .......... | 1,565,032 | 1,192,370 | 7,753,121 | 18,695,126 |
| Payments to school funds, Arizona and New Mexico (act June 20, 1910, 36 Stat. 561, 573, Secs. 6, 24) .......... | 41,243 | 23,555 | 60,775 | 122,755 |
| National school-lunch program (act June 22, 1946, 60 Stat. 290) .......... | .......... | .......... | 81,213,235 | 81,687,941 |
| Removal of surplus agricultural commodities (acts Aug. 24, 1935, 49 Stat. 774, Sec. 32; Feb. 29, 1936, 49 Stat. 1151, Sec. 2; Feb. 16, 1938, 52 Stat. 38, Sec. 203 (7 U. S. C. 612c)) .......... | .......... | .......... | 50,326,135 | 154,710,878 |
| Forest-fire cooperation (16 U. S. C. 564-570) .......... | 1,383,041 | 1,987,538 | 8,768,555 | [1] 9,729,293 |
| State and private forestry cooperation (act Aug. 25, 1950, 64 Stat. 473) .......... | .......... | .......... | .......... | |
| Commodity Credit Corporation funds .......... | .......... | .......... | 13,697,824 | [2] 119,795 |
| Cooperative farm forestry (16 U. S. C. 567-568b) | 139,196 | 90,332 | 708,112 | .......... |
| Cooperative distribution of forest planting stock (16 U. S. C. 567) .......... | | | | |
| Payments to counties from submarginal land program (7 U. S. C. 1012) .......... | .......... | .......... | 228,447 | 461,034 |
| Research and Marketing Act of 1946 (act Aug. 14, 1946, Pub. Law 733) .......... | .......... | .......... | 6,183,682 | 1,290,999 |
| Agricultural Marketing Act, as amended, (7 U. S. C. 1621-1629) .......... | | | | |
| Total .......... | 15,003,298 | 28,600,211 | 207,365,227 | 311,609,825 |
| DEPARTMENT OF COMMERCE | | | | |
| Federal-aid airport program, Federal Airport Act, Civil Aeronautics Administration (act May 13, 1946, 60 Stat. 171, Sec. 6) .......... | .......... | .......... | 32,782,999 | 17,481,945 |
| Cooperative construction of rural post roads (23 U. S. C. 21, 54) (see also items of similar type under class II) .......... | 77,887,693 | 150,470 | 7,023,393 | 520,911,808 |
| Federal-aid postwar highways (acts Dec. 28, 1945, 59 Stat. 638, and Mar. 26, 1946, 60 Stat. 70) .... | .......... | .......... | 400,989,712 | |
| Federal-aid highways (23 U. S. C. 1-24, 41, 21a, 23a, 41a) .......... | .......... | 105,351,358 | .......... | |
| Federal-aid secondary or feeder roads (act June 16, 1936, 49 Stat. 1521, Sec. 7 .......... | .......... | 18,355,139 | 3,477,250 | |
| Elimination of grade crossings (act June 16, 1936, 49 Stat. 1521, Sec. 8) .......... | .......... | 29,521,720 | 10,155,389 | 1,349,927 |
| Public-lands highways (act June 16, 1936, 49 Stat. 1520, Sec. 3) .......... | .......... | 2,128,682 | 775,395 | 1,129,599 |
| Maritime activities | | | | |
| State marine schools, act Mar. 4, 1911 (34 U. S. C. 1121)[3] .......... | 50,000 | 140,036 | 157,761 | 396,298 |
| Total .......... | 77,937,693 | 155,647,405 | 455,361,899 | 541,269,577 |
| DEPARTMENT OF DEFENSE | | | | |
| Army | | | | |
| Payments to States, Flood Control Act, June 30, 1938, as amended (52 Stat. 1221-1222) .......... | .......... | .......... | 467,516 | 988,885 |

Footnotes at end of table.

TABLE 105.--Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1954--Continued

| Appropriation titles | 1930 | 1940 | 1950 | 1954 |
|---|---|---|---|---|
| I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS--Continued | | | | |
| DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE | | | | |
| Colleges for agriculture and the mechanic arts (7 U. S. C. 321-343g) | $2,550,000 | $2,550,000 | $5,030,000 | $5,051,500 |
| Further endowment of colleges of agriculture and the mechanic arts (7 U. S. C. 343-343g; 54 Stat. 582) | ........... | 2,480,000 | | |
| Cooperative vocational education in agriculture (20 U. S. C. 11-30) | 3,151,340 | [4] 19,730 | ........... | ........... |
| Cooperative vocational education in trades and industries (20 U. S. C. 11-30) | 2,956,295 | [4] 9,787 | ........... | ........... |
| Cooperative vocational education, teachers, etc. (20 U. S. C. 11-30) | 1,029,078 | [4] 10,000 | ........... | ........... |
| Cooperative vocational education in home economics (20 U. S. C. 11-30) | 248,957 | [4] 18,431 | ........... | ........... |
| Cooperative vocational education in distributive occupations (20 U. S. C. 11-30) | ........... | [4] 10,000 | ........... | ........... |
| Cooperative vocational rehabilitation of persons disabled in industry (29 U. S. C. 31-45b) | 735,619 | 2,082,198 | ........... | ........... |
| Promotion and further development of vocational education (20 U. S. C. 15h-15p; 54 Stat. 583, 29-30; 29 U. S. C. 31-35) | ........... | 19,384,914 | 26,489,335 | 25,311,392 |
| Promotion of vocational education, act Feb. 23; 1917, Office of Education (39 Stat. 929-931, Secs. 1-4, 20 U. S. C. 11-14) | | | | |
| To promote the education of the blind (American Printing House for the Blind) (20 U. S. C. 101,102) | 75,000 | 115,000 | 125,000 | 185,000 |
| Mental health activities, Public Health Service (act July 8, 1947, 61 Stat. 269) | ........... | ........... | 3,293,697 | 2,307,841 |
| Control of venereal diseases, Public Health Service (42 U. S. C. 24, 25; 52 Stat. 439,440) | ........... | 4,188,399 | 12,399,314 | 3,095,584 |
| Control of tuberculosis, Public Health Service (act of July 1, 1944, 58 Stat. 693, Sec. 314 (b)) | ........... | ........... | 6,781,262 | 4,273,665 |
| Operating expenses, National Heart Institute, Public Health Service (act June 29, 1949, 63 Stat. 291) | ........... | ........... | 3,095,842 | 1,054,134 |
| Salaries, expenses, and grants, National Heart Institute, Public Health Service (act July 2, 1952, 66 Stat. 366) | | | | |
| Operating expenses, National Cancer Institute, Public Health Service (act Apr. 19, 1946, 60 Stat. 106) | ........... | ........... | 6,592,932 | 3,840,237 |
| Salaries, expenses, and grants, National Cancer Institute, Public Health Service (act July 2, 1952, 66 Stat. 366) | | | | |
| Grants, water pollution control, Public Health Service (act June 30, 1948, Sec. 8 (a), Pub. Law 845) | ........... | ........... | 913,027 | ........... |
| Disease and sanitation investigations and control, Territory of Alaska (act July 1, 1944, 58 Stat. 704) | ........... | ........... | 757,117 | [5] 564,000 |
| Assistance to States, general, Public Health Service (act July 1, 1944, 58 Stat. 693, Sec. 314 (c)) | ........... | 9,500,706 | 14,081,127 | 10,129,059 |
| Grants to States for public health work, Social Security Act, Aug. 14, 1935 (42 U. S. C. 801-803) | | | | |
| Payments to States for surveys and programs for hospital construction, Public Health Service (act Aug. 13, 1946, 60 Stat. 1040-1049) | ........... | ........... | 57,073,217 | 88,218,606 |
| Grants for hospital construction Public Health Service (act Aug. 13, 1946, 60 Stat. 1040-1049) | | | | |
| Grants to States for maternal and child welfare services of the Social Security Act, Aug. 14, 1935, as amended (42 U. S. C. 701-731) | ........... | 9,680,706 | 11,234,511 | 29,380,329 |
| Grants to States for public assistance, Social Security Administration (42 U. S. C. 301-306, 1201-1206) | ........... | 329,303,433 | 1,134,960,863 | 1,437,516,484 |
| Payments to States, Vocational Rehabilitation Act, as amended, Office of Vocational Rehabilitation (act July 3, 1945, 59 Stat. 374) | ........... | ........... | 24,741,510 | 23,059,077 |
| Payments to States, including Alaska, Hawaii, and Puerto Rico, Office of Vocational Rehabilitation (29 U. S. C., ch. 4) | | | | |
| Total | 10,746,289 | 379,217,408 | 1,307,568,754 | 1,633,986,908 |

Footnotes at end of table.

TABLE 105.--Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1954--Continued

| Appropriation titles | 1930 | 1940 | 1950 | 1954 |
|---|---|---|---|---|
| I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS--Continued | | | | |
| DEPARTMENT OF THE INTERIOR | | | | |
| Federal aid in fish restoration and management (act Aug. 9, 1950, Public Law 681) | ........... | ........... | ........... | $2,290,967 |
| Federal aid, wildlife restoration (act Sept. 2, 1937, 50 Stat. 917) | ........... | $451,299 | $7,577,938 | 12,818,526 |
| Payments to counties from receipts under Migratory Bird Conservation Act (16 U. S. C. 715e) | ........... | ........... | 88,419 | 470,621 |
| Payments to States from receipts under Mineral Leasing Act (30 U. S. C. 191) | $1,387,838 | 2,151,654 | 11,328,583 | 18,741,004 |
| Payments to States under Grazing Act, June 28, 1934, public lands (43 U. S. C. 315i) Payments to States under Grazing Act, June 28, 1934, Indian ceded lands (43 U. S. C. 315j) | ........... | 503,970 | 185,489 | 346,166 |
| Payments to States of 5% of proceeds of public lands (receipt limitation) (31 U. S. C. 711, par. 17; annual appropriation provided for 1942, act June 28, 1941, 55 Stat. 310) | 18,292 | 602 | 5,518 | 67,200 |
| Coos Bay wagon-road grant fund (act Feb. 26, 1919, 40 Stat. Sec. 5) | 43,613 | (6) | ........... | ........... |
| Revested Oregon and California Railroad and reconveyed Coos Bay wagon-road grant lands, Oregon (reimbursable) (act Aug. 28, 1937, 50 Stat. 874) | ........... | 142,041 | ........... | ........... |
| Payment to certain counties in Oregon in lieu of taxes on Oregon and California grant lands (receipt limitation) (act June 9, 1916, 39 Stat. 222, Sec. 10, and various supplemental acts; additional annual appropriation provided for 1939, act June 25, 1938, 52 Stat. 1129) Payment to counties, Oregon and California grant lands (50%) Payment to counties in lieu of taxes on Oregon and California grant lands, 25 per centum fund (25%) (act Aug. 28, 1937, 50 Stat. 875) | 979,387 | 313,845 | 1,761,766 | 6,422,027 |
| Payment of proceeds of sales of Coos Bay wagon-road grant lands and timber (receipt limitation) (act Feb. 26, 1919, 40 Stat. 1179) | ........... | 12,771 | ........... | ........... |
| Payments to Coos and Douglas Counties, Oreg., in lieu of taxes on Coos Bay wagon-road grant lands (act May 24, 1939, 53 Stat. 753) | ........... | 221 | 58,190 | ........... |
| Payment to Oklahoma from royalties, oil and gas, south half of Red River (receipt limitation) (act Mar. 4, 1923, 30 U. S. C. 233) | 41,778 | 8,786 | ........... | 8,803 |
| Payments to States from potash deposits, royalties and rentals (act Feb. 7, 1927, Secs. 5 and 6) (30 U. S. C. 149, 285, 286) | ........... | 49,256 | ........... | ........... |
| Payment to Alaska under Alaska Game Law (48 U. S. C. 199, Subdiv. K) | ........... | 20,281 | 49,286 | 87,864 |
| Payment to Arizona and Nevada for Colorado River Dam fund, Boulder Canyon Project (43 U. S. C. 617a, f) | ........... | ........... | 600,000 | 600,000 |
| Operation and maintenance, Bureau of Reclamation (act July 31, 1953, 67 Stat. 267) | ........... | ........... | ........... | 24,441 |
| Total | 2,470,908 | 3,654,726 | 21,655,190 | 41,877,619 |
| DEPARTMENT OF LABOR | | | | |
| Promotion of welfare and hygiene of maternity and infancy | [7] 9,522 | ........... | ........... | ........... |
| Grants to States for Unemployment Compensation and Employment Service Administration, Bureau of Employment Security (act June 6, 1933, as amended, 29 U. S. C. 49-49i) Grants to States for Unemployment Compensation Administration (act Aug. 14, 1935, 49 Stat., Secs. 301, 302) Payment to States, United States Employment Service (29 U. S. C. 49-49i) | ........... | 3,366,606 | 207,617,255 | 200,135,916 |
| Total | 9,522 | 3,366,606 | 207,617,255 | 200,135,916 |

Footnotes at end of table.

TABLE 105.--Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1954--Continued

| Appropriation titles | 1930 | 1940 | 1950 | 1954 |
|---|---|---|---|---|
| I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS--Continued | | | | |
| INDEPENDENT ESTABLISHMENTS | | | | |
| Housing and Home Finance Agency | | | | |
| Annual contributions, Federal Public Housing Authority (42 U. S. C. 1410) | ........ | ........ | $5,737,706 | $38,233,895 |
| Capital grants for slum clearance and urban redevelopment, Office of Administrator (July 15, 1949, 63 Stat. 414) | ........ | ........ | ........ | 11,583,710 |
| United States Housing Authority fund (42 U. S. C. 1404 (d), 1418; 50 Stat. 889, 897, Sec. 4 (d), 18) | ........ | $1,386,132 | ........ | ........ |
| Total | ........ | 1,386,132 | 5,737,706 | 49,817,605 |
| Federal Power Commission | | | | |
| Payments to States under Federal Power Act (16 U. S. C. 810) | $12,875 | 19,386 | 28,315 | 34,895 |
| Veterans' Administration | | | | |
| (Annual appropriations under title "General operating expenses, Veterans' Administration"): | | | | |
| Supervision of on-the-job training (act June 22, 1944, 58 Stat. 290) | ........ | ........ | 6,909,143 | 2,327,310 |
| Administration of unemployment and self-employment allowances (act June 22, 1944, 58 Stat. 294) | ........ | ........ | 4,354,348 | ........ |
| "Maintenance and operation of domiciliary facilities, Veterans' Administration": | | | | |
| State and territorial homes for disabled soldiers and sailors (24 U. S. C. 134) | 575,206 | 978,767 | 3,273,924 | 3,745,366 |
| Total | 575,206 | 978,767 | 14,537,415 | 6,072,676 |
| Total class I | 106,755,791 | 572,870,641 | 2,220,339,277 | 2,785,793,906 |
| II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES | | | | |
| DEPARTMENT OF AGRICULTURE | | | | |
| Cooperative construction, etc., of roads and trails, national forests (act July 11, 1916, 39 Stat. 358) | (8) | (8) | ........ | ........ |
| Federal forest road construction (act Feb. 28, 1919, 40 Stat. 1201) | (8) | (8) | ........ | ........ |
| Forest roads and trails (23 U. S. C. 23, 23a) | | | | |
| Forest reserve fund, roads and trails for States (16 U. S. C. 501) | 7,961,032 | 11,478,686 | ........ | ........ |
| Conservation and use of agricultural land resources (act Feb. 29, 1936, 16 U. S. C. 590g-590q) | ........ | 552,042,804 | 289,951,995 | 237,799,633 |
| Administration of Sugar Act of 1937 (7 U. S. C. 1100-1183) | | | | |
| Grants and loans, Farm Housing (act July 15, 1949, 63 Stat. 434, Sec. 504 (a)) | ........ | ........ | 46,321 | ........ |
| Total | 7,961,032 | 563,521,490 | 289,998,316 | 237,799,633 |
| DEPARTMENT OF COMMERCE | | | | |
| Forest highways construction (Sec. 10 (a), act Dec. 20, 1944, 58 Stat. 838-843) | ........ | ........ | 26,916,655 | 21,747,442 |
| Maritime activities | | | | |
| State marine schools, act Mar. 4, 1911 (34 U. S. C. 1121) | ........ | ........ | ........ | 269,179 |
| Total | ........ | ........ | 26,916,655 | 22,016,621 |

Footnotes at end of table.

TABLE 105.--Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1954--Continued

| Appropriation titles | 1930 | 1940 | 1950 | 1954 |
|---|---|---|---|---|
| II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES--Continued | | | | |
| DEPARTMENT OF DEFENSE | | | | |
| Army | | | | |
| National Guard (32 U. S. C. 21, 22) | $31,987,927 | $71,019,749 | $87,261,167 | $120,000,696 |
| Maintenance and improvement of existing river and harbor works (act July 24, 1946, 60 Stat. 637, Sec. 6); Flood control, general (act July 24, 1946, 60 Stat. 637, Sec. 6) | ........... | ........... | 609,498 | ........... |
| Total | 31,987,927 | 71,019,749 | 87,870,665 | 120,000,696 |
| Air Force | | | | |
| Air National Guard (act Oct. 29, 1949, 63 Stat. 1016-25) | ........... | ........... | 44,295,643 | 86,685,683 |
| Total, Department of Defense | 31,987,927 | 71,019,749 | 132,166,308 | 206,686,379 |
| DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE | | | | |
| Civilian Conservation Corps (16 U. S. C. 584-584q; 54 Stat. 581) | ........... | 270,856,832 | ........... | ........... |
| Arthritis and metabolic disease activities, Public Health Service (act July 31, 1953, 67 Stat. 253) | ........... | ........... | ........... | 3,669,055 |
| Operating expenses, National Cancer Institute, Public Health Service (act Apr. 19, 1946, 60 Stat. 106)[9]; Salaries, expenses, and grants, National Cancer Institute, Public Health Service (act July 5, 1952, 66 Stat. 366) | ........... | ........... | 5,177,886 | 11,963,612 |
| Operating expenses, National Heart Institute, Public Health Service (act June 29, 1949, 63 Stat. 291)[9]; Salaries, expenses, and grants, National Heart Institute, Public Health Service (act July 5, 1952, 66 Stat. 366) | ........... | ........... | 4,909,702 | 10,673,853 |
| Operating expenses, dental health activities, Public Health Service (act June 24, 1948, 62 Stat. 598-602, Sec. 421); Dental health activities, Public Health Service (act July 5, 1952, 66 Stat. 366) | ........... | ........... | 231,764 | 270,528 |
| Microbiology activities, Public Health Service (act July 31, 1953, 67 Stat. 253) | ........... | ........... | ........... | 2,102,983 |
| Operating expenses, National Institutes of Health, Public Health Service (act July 1, 1944, 58 Stat. 692, Sec. 301) | ........... | ........... | 5,726,699 | 4,316,893 |
| Mental health activities, Public Health Service (act July 8, 1947, 61 Stat. 269)[9] | ........... | ........... | 3,635,866 | 6,878,368 |
| Neurology and blindness activities, Public Health Service (act July 31, 1953, 67 Stat. 253) | ........... | ........... | ........... | 3,[illegible]4,745 |
| Total | ........... | 270,856,832 | 19,681,917 | 43,320,037 |
| DEPARTMENT OF LABOR | | | | |
| Reconversion unemployment benefits for seamen (act Aug. 10, 1946, 60 Stat. 982) | ........... | ........... | 905,964 | ........... |
| Unemployment compensation for veterans, Bureau of Employment Security (act July 16, 1952, 66 Stat. 684) | ........... | ........... | ........... | 81,852,147 |
| DEPARTMENT OF THE TREASURY | | | | |
| Public Health Service[10] | | | | |
| Preventing the spread of epidemic diseases | 273,330 | ........... | ........... | ........... |
| Interstate quarantine service | 71,117 | ........... | ........... | ........... |
| Studies in rural sanitation | 345,159 | ........... | ........... | ........... |
| Total | 689,606 | ........... | ........... | ........... |

Footnotes at end of table.

TABLE 105.--Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1930, 1940, 1950, and 1954--Continued

| Appropriation titles | 1930 | 1940 | 1950 | 1954 |
|---|---|---|---|---|
| II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES--Continued | | | | |
| INDEPENDENT ESTABLISHMENTS | | | | |
| General Services Administration | | | | |
| Construction services, Public Buildings Administration (act June 15, 1938, 40 U. S. C. 265).... | .......... | ............ | $172,178 | ............ |
| National Science Foundation | | | | |
| Salaries and expenses, National Science Foundation (42 U. S. C. 1875), (act Aug. 8, 1953, 67 Stat. 488)........................................ | .......... | ............ | ............ | $5,612,198 |
| Veterans' Administration | | | | |
| Veterans' miscellaneous benefits, Veterans' Administration (act Mar. 24, 1943, 57 Stat. 43)....<br>Readjustment benefits, Veterans' Administration (act June 22, 1944, 58 Stat. 284)................ | .......... | ............ | 2,815,021,445 | 600,350,904 |
| Automobiles and other conveyances for disabled veterans (act Aug. 8, 1946, Public Law 663)...... | .......... | ............ | 2,169,664 | 4,963,237 |
| Total ........................................ | .......... | ............ | 2,817,191,109 | 605,314,141 |
| Total class II................................ | $40,638,565 | $905,398,071 | 3,287,032,447 | 1,202,601,156 |
| Grand total................................... | 147,394,356 | 1,478,268,712 | 5,507,371,724 | 3,988,395,062 |

[1] Includes $19,484, expenditures for fire control activities on non-Federal lands in connection with the flood prevention and watershed protection programs.
[2] Estimated cost of perishable food commodities acquired through price-support operations as ordered for distribution within States, pursuant to Sec. 416 of Pub. Law 439, 81st Cong., approved Oct. 31, 1949.
[3] For additional payments from this appropriation, see Part II.
[4] Deduct; represents net repayments. These accounts were discontinued, but their functions are continued under the two accounts immediately following.
[5] Reported as an expenditure in addition to the expenditures for general health assistance (see following table, column 21).
[6] Special fund account repealed as a permanent appropriation, effective July 1, 1935, by Sec. 4 of the Permanent Appropriation Repeal Act, June 26, 1934 (48 Stat. 1227). Annual appropriation provided for same object under the account immediately following.
[7] Activities under this caption expired June 30, 1929.
[8] These accounts consolidated with combined accounts immediately following.
[9] For additional payments from this appropriation see Part I.
[10] Beginning July 1, 1939, expenditures of Public Health Service stated under Federal Security Agency which was superseded by the Department of Health, Education, and Welfare, effective April 11, 1953.

TABLE 106.--Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954

[The Treasury Department, for general information, has compiled from figures furnished by the departments and establishments concerned the following statement, exhibiting by States and Territories the amounts paid to or within each under the appropriations for Federal aid to States shown under classes I and II in the preceding table.]

PART A. GRANTS TO STATES AND LOCAL UNITS

| States, Territories etc. | Department of Agriculture | | | | | | |
|---|---|---|---|---|---|---|---|
| | Agricultural experiment stations--Regular grants (1) | Cooperative agricultural extension work--Regular grants (2) | National school lunch program[1]--Regular grants (3) | National forests fund[2]--Shared revenues (4) | Submarginal land program, payment to counties--Shared revenues (5) | Cooperative projects in marketing and Commodity Credit Corporation[3] (6) | State and private forestry cooperation, etc.[4] (7) |
| Alabama | $347,557 | $1,197,197 | $2,933,071 | $197,427 | $711 | $21,410 | $339,635 |
| Arizona | 173,307 | 183,237 | 512,150 | 618,170 | ......... | ......... | .......... |
| Arkansas | 285,108 | 991,703 | 1,861,222 | 453,508 | 13,302 | 9,572 | 258,903 |
| California | 345,212 | 721,834 | 3,763,956 | 2,760,310 | 974 | 66,474 | 1,386,420 |
| Colorado | 218,106 | 352,596 | 667,936 | 342,305 | 30,791 | 5,931 | 23,571 |
| Connecticut | 173,499 | 166,076 | 673,517 | ......... | ......... | 13,434 | 61,346 |
| Delaware | 132,538 | 95,702 | 101,912 | ......... | ......... | 6,000 | 12,666 |
| District of Columbia | .......... | ......... | 177,666 | ......... | ......... | ......... | .......... |
| Florida | 217,767 | 363,394 | 1,734,067 | 182,275 | 20,256 | 16,080 | 549,714 |
| Georgia | 400,165 | 1,252,060 | 2,883,699 | 121,911 | 4,504 | 22,850 | 540,304 |
| Idaho | 172,547 | 274,708 | 405,818 | 939,037 | 3,835 | 8,140 | 143,185 |
| Illinois | 354,800 | 953,269 | 2,964,007 | 17,410 | ......... | 36,945 | 54,223 |
| Indiana | 333,196 | 769,707 | 1,850,727 | 3,377 | 78 | 58,146 | 70,881 |
| Iowa | 347,912 | 885,746 | 1,316,109 | 472 | ......... | 47,653 | 33,388 |
| Kansas | 239,536 | 641,999 | 959,376 | ......... | 9,105 | 54,800 | 1,620 |
| Kentucky | 332,837 | 1,119,934 | 2,402,132 | 44,617 | ......... | 25,267 | 118,381 |
| Louisiana | 265,715 | 787,250 | 2,503,404 | 151,735 | 45,097 | 30,450 | 309,033 |
| Maine | 181,171 | 226,158 | 509,738 | 2,621 | ......... | 27,128 | 243,011 |
| Maryland | 200,894 | 294,612 | 945,938 | ......... | ......... | 34,346 | 134,103 |
| Massachusetts | 195,144 | 219,180 | 1,693,674 | ......... | ......... | 18,049 | 123,576 |
| Michigan | 328,601 | 855,482 | 2,558,088 | 150,212 | 1,460 | 79,517 | 427,797 |
| Minnesota | 299,533 | 844,271 | 1,633,673 | 176,012 | ......... | 32,109 | 273,259 |
| Mississippi | 347,423 | 1,225,414 | 2,604,404 | 406,035 | 8,525 | 82,540 | 327,212 |
| Missouri | 318,748 | 1,016,609 | 1,935,147 | 35,410 | 692 | 27,090 | 226,545 |
| Montana | 177,811 | 284,342 | 271,451 | 554,259 | 86,892 | 11,548 | 77,994 |
| Nebraska | 223,412 | 536,194 | 587,966 | 16,927 | 5,779 | 10,048 | 2,218 |
| Navada | 133,652 | 117,174 | 58,443 | 53,449 | ......... | ......... | 27,567 |
| New Hampshire | 149,486 | 125,293 | 267,636 | 40,288 | ......... | 6,535 | 89,342 |
| New Jersey | 199,912 | 220,024 | 1,548,691 | ......... | ......... | 2,030 | 112,880 |
| New Mexico | 174,608 | 254,793 | 505,747 | 225,046 | 21,002 | 17,100 | .......... |
| New York | 372,874 | 773,102 | 4,728,997 | ......... | 681 | 139,689 | 279,931 |
| North Carolina | 467,148 | 1,510,831 | 3,675,830 | 142,013 | 3,831 | 62,235 | 335,116 |
| North Dakota | 176,106 | 405,402 | 374,346 | 33 | 79,465 | 20,776 | 12,623 |
| Ohio | 381,858 | 1,052,834 | 3,118,500 | 4,411 | 3,679 | 13,855 | 75,804 |
| Oklahoma | 257,344 | 885,348 | 1,593,559 | 52,315 | 18,886 | 39,346 | 97,861 |
| Oregon | 219,905 | 340,230 | 733,050 | 6,029,381 | 5,256 | 15,677 | 611,608 |
| Pennsylvania | 443,021 | 991,874 | 3,992,170 | 48,727 | 46 | 7,098 | 195,644 |
| Rhode Island | 148,544 | 70,824 | 283,524 | ......... | ......... | 6,664 | 20,567 |
| South Carolina | 284,446 | 846,907 | 2,108,911 | 270,871 | 18 | 11,219 | 297,327 |
| South Dakota | 190,000 | 402,085 | 331,534 | 106,216 | 41,482 | 17,000 | 30,968 |
| Tennessee | 348,605 | 1,153,404 | 2,762,318 | 71,412 | ......... | 29,365 | 233,402 |
| Texas | 493,698 | 1,978,727 | 4,443,182 | 575,318 | 30,035 | 33,870 | 214,635 |
| Utah | 174,660 | 202,060 | 475,648 | 170,039 | 634 | 10,819 | 33,036 |
| Vermont | 149,328 | 167,531 | 231,097 | 35,748 | ......... | 3,200 | 74,312 |
| Virginia | 327,050 | 931,321 | 2,106,865 | 56,205 | ......... | 36,777 | 254,512 |
| Washington | 251,883 | 407,572 | 1,043,864 | 3,434,617 | ......... | 61,420 | 563,220 |
| West Virginia | 273,809 | 549,586 | 1,531,471 | 49,266 | 82 | 24,104 | 77,542 |
| Wisconsin | 318,608 | 821,731 | 1,503,031 | 96,500 | 1,159 | 53,215 | 323,509 |

TABLE 106. --Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

| States Territories etc. | Department of Agriculture | | | | | | |
|---|---|---|---|---|---|---|---|
| | Agricultural experiment stations--Regular grants (1) | Cooperative agricultural extension work—Regular grants (2) | National school lunch program[1]—Regular grants (3) | National forests fund[2]—Shared revenues (4) | Submarginal land program, payment to counties--Shared revenues (5) | Cooperative projects in marketing and Commodity Credit Corporation[3] (6) | State and private forestry cooperation, etc.[4] (7) |
| Wyoming | $152,751 | $184,690 | $145,516 | $171,349 | $22,661 | $3,000 | $3,873 |
| Alaska | 121,014 | 60,498 | 30,696 | 6,784 | ........ | 5,043 | .......... |
| Hawaii | 143,388 | 176,534 | 340,396 | ........ | ........ | 11,445 | 15,410 |
| Puerto Rico | 285,374 | 651,344 | 3,247,008 | 3,863 | 116 | 33,785 | 9,620 |
| Virgin Islands | ....... | ....... | 55,063 | ........ | ......... | ......... | .......... |
| Advances and other undistributed | ....... | ....... | ........ | ........ | ......... | ......... | .......... |
| Total | 13,251,611 | 31,540,393 | 81,687,941 | 18,817,881 | 461,034 | 1,410,794 | 9,729,293 |

NOTE.--This table does not include Federal payments to State and local governments for State and local taxes or in lieu of such taxes on federally owned property.

[1] Includes $14,826,278, value of commodities distributed to participating schools. In addition the school-lunch program is a recipient of some of the commodities reflected under the appropriation" Removal of surplus agricultural commodities" and under "Commodity Credit Corporation, value of commodities donated."

[2] Includes $122,755, payments to school funds, Arizona and New Mexico.

[3] Comprises $1,290,999, "Cooperative projects in marketing" and $119,795, "Commodity Credit Corporation, value of commodities donated."

[4] Comprises $9,709,809, State and private forestry cooperation, and $19,484, forest fire control activities under flood prevention and watershed protection programs.

TABLE 106.--Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART A. GRANTS TO STATES AND LOCAL UNITS--Continued

| States, Territories, etc. | Department of Agriculture--Continued | | Department of Commerce | | | | Defense Department |
|---|---|---|---|---|---|---|---|
| | Removal of surplus agricultural commodities--Value of commodities distributed within States | Disaster loans, etc. (payments to assist States in furnishing hay in drought-stricken areas)--Emergency grants | Civil Aeronautics Administration--Federal airport program--Regular grants | Bureau of Public Roads: Highway construction: Regular grants[5] | Bureau of Public Roads: Highway construction: Emergency grants[6] | Maritime activities: State marine schools--Regular grants | Army-Lease of flood control lands--Shared revenue |
| | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
| Alabama | $3,877,513 | ... | $305,227 | $14,957,970 | ... | ... | ... |
| Arizona | 1,016,765 | ... | 66,739 | 6,761,523 | ... | ... | ... |
| Arkansas | 2,635,135 | $200,000 | 176,030 | 7,633,643 | ... | ... | $54,210 |
| California | 8,157,697 | ... | 735,946 | 28,836,738 | -$157,020 | $57,525 | 60,422 |
| Colorado | 1,569,980 | ... | 495,360 | 7,750,476 | ... | ... | 24,309 |
| Connecticut | 1,554,472 | ... | 64,468 | 2,910,590 | ... | ... | 622 |
| Delaware | 494,132 | ... | 9,955 | 1,219,933 | ... | ... | ... |
| District of Columbia | 784,672 | ... | ... | 2,244,975 | ... | ... | ... |
| Florida | 2,899,999 | 50,000 | 274,203 | 7,007,349 | 2,299 | ... | ... |
| Georgia | 3,965,692 | ... | 140,955 | 11,238,674 | ... | ... | 17,597 |
| Idaho | 500,813 | ... | 100,722 | 6,197,839 | 7,235 | ... | 990 |
| Illinois | 6,078,250 | ... | 1,615,738 | 26,636,109 | 49,900 | ... | 844 |
| Indiana | 2,531,930 | ... | 324,964 | 11,031,813 | 21,959 | ... | ... |
| Iowa | 2,464,922 | ... | 207,358 | 9,696,137 | 42,574 | ... | 43,460 |
| Kansas | 1,859,140 | [7] 205,800 | 138,043 | 13,564,574 | ... | ... | 39,476 |
| Kentucky | 4,486,856 | 235,000 | 311,422 | 10,216,363 | ... | ... | 41,111 |
| Louisiana | 5,450,614 | ... | 80,079 | 7,421,484 | 36,691 | ... | 4,148 |
| Maine | 753,336 | ... | 44,701 | 5,343,462 | 4,500 | 187,382 | ... |
| Maryland | 1,889,335 | ... | 67,728 | 4,137,673 | ... | ... | 4 |
| Massachusetts | 6,255,556 | ... | 902,089 | 9,256,127 | ... | 67,199 | 540 |
| Michigan | 4,590,369 | ... | 566,883 | 13,913,759 | ... | ... | ... |
| Minnesota | 3,365,283 | ... | 192,677 | 12,170,190 | 12,527 | ... | 1,456 |
| Mississippi | 2,412,473 | 31,000 | 128,634 | 10,792,608 | ... | ... | 77,147 |
| Missouri | 3,319,629 | 1,604,000 | 858,213 | 17,705,582 | ... | ... | 88,045 |
| Montana | 398,507 | ... | 58,709 | 6,434,163 | -638 | ... | ... |
| Nebraska | 1,009,406 | ... | 317,137 | 5,543,897 | 24,103 | ... | 58,387 |
| Nevada | 221,026 | 82,500 | 79,524 | 4,792,535 | 3,481 | ... | ... |
| New Hampshire | 739,026 | ... | 16,339 | 2,485,680 | ... | ... | 1,033 |
| New Jersey | 4,421,264 | ... | 411,695 | 11,945,657 | 10,606 | ... | ... |
| New Mexico | 1,122,572 | ... | 80,428 | 7,874,526 | 138,622 | ... | ... |
| New York | 10,073,299 | ... | 808,611 | 30,332,737 | ... | 84,192 | 2,231 |
| North Carolina | 4,952,178 | 135,000 | 648,987 | 10,379,943 | ... | ... | 6,725 |
| North Dakota | 713,635 | ... | 83,670 | 7,399,064 | 30,954 | ... | 96,671 |
| Ohio | 9,138,822 | ... | 170,551 | 31,768,312 | ... | ... | 7,982 |
| Oklahoma | 2,957,900 | ... | 358,743 | 8,017,817 | 42,517 | ... | 139,221 |
| Oregon | 1,369,257 | ... | 260,924 | 9,756,906 | -172 | ... | 2,616 |
| Pennsylvania | 10,916,622 | ... | 2,339,086 | 27,920,421 | ... | ... | 10,248 |
| Rhode Island | 850,671 | ... | 66,000 | 2,694,274 | 39,701 | ... | ... |
| South Carolina | 2,746,098 | ... | 180,082 | 6,053,377 | ... | ... | 330 |
| South Dakota | 849,924 | ... | 126,583 | 6,776,743 | 23,393 | ... | 42,867 |
| Tennessee | 4,690,758 | 110,000 | 195,638 | 12,815,801 | ... | ... | 28,570 |
| Texas | 6,956,087 | 704,000 | 672,093 | 32,010,633 | ... | ... | 105,088 |
| Utah | 1,381,456 | ... | 516,569 | 6,869,518 | ... | ... | ... |
| Vermont | 497,352 | ... | 13,368 | 2,648,113 | ... | ... | 300 |
| Virginia | 4,214,376 | 596,000 | 314,424 | 13,660,755 | 5,228 | ... | 22,883 |
| Washington | 2,144,965 | ... | 293,451 | 7,623,819 | ... | ... | 2,484 |
| West Virginia | 3,328,194 | 90,000 | 129,876 | 3,690,195 | ... | ... | 6,867 |
| Wisconsin | 2,466,992 | ... | 548,784 | 17,858,093 | ... | ... | ... |
| Wyoming | 351,982 | ... | 91,966 | 5,159,956 | ... | ... | ... |
| Alaska | 259,703 | ... | 300,216 | 24,339 | ... | ... | ... |
| Hawaii | 671,874 | ... | 172,099 | 3,678,533 | 911,890 | ... | ... |
| Puerto Rico | 2,299,858 | ... | 388,142 | 2,383,937 | ... | ... | ... |
| Virgin Islands | 52,511 | ... | 30,113 | ... | ... | ... | ... |
| Advances and other undistributed | ... | ... | ... | ... | ... | ... | ... |
| Total | 154,710,878 | 4,043,300 | 17,481,945 | 537,245,339 | 1,250,349 | [8] 396,298 | 988,885 |

[5] Comprises $520,911,808, Federal aid highways; $1,349,927, prewar Federal aid grade crossing elimination; $13,854,005, access roads, act of 1950; and $1,129,599, public lands highways.

[6] Comprises -$105,631, access roads (defense act); $94, flight strips; $505,818, survey and planning; $39,701 strategic highway network; and $810,367, war and emergency damage, Hawaii.

[7] Includes $5,800, payments on a reimbursable basis to assist States in wind erosion control program.

[8] Includes expenditures of $252,345 for maintenance and repair of vessels, as follows: California $30,920; Maine, $143,493; Massachusetts, $37,490; and New York, $40,442.

TABLE 106. --Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART A. GRANTS TO STATES AND LOCAL UNITS--Continued

| States, Territories, etc. | Department of Health, Education, and Welfare | | | | | |
|---|---|---|---|---|---|---|
| | Office of Education | | | | Public Health Service | |
| | Colleges for agriculture and mechanic arts--Regular grants | Cooperative vocational education--Regular grants | School construction and survey--[9] Emergency grants | Maintenance and operation of schools--Emergency grants | Venereal disease control--Regular grants | Tuberculosis control--Regular grants |
| | (15) | (16) | (17) | (18) | (19) | (20) |
| Alabama | $100,541 | $670,987 | $4,577,918 | $1,005,150 | $131,125 | $100,752 |
| Arizona | 77,477 | 170,153 | 4,222,208 | 591,125 | 24,437 | 49,215 |
| Arkansas | 89,048 | 491,697 | 2,299,703 | 634,066 | 80,304 | 71,862 |
| California | 175,599 | 1,222,094 | 15,536,857 | 13,135,753 | 20,406 | 246,317 |
| Colorado | 83,218 | 217,420 | 2,752,129 | 1,619,456 | 19,296 | 33,519 |
| Connecticut | 90,023 | 255,287 | 371,819 | 1,208,353 | 9,228 | 55,985 |
| Delaware | 73,173 | 158,654 | 18,042 | 11,855 | ........... | 18,963 |
| District of Columbia | ......... | 96,162 | ........... | ......... | 127,844 | 41,265 |
| Florida | 97,644 | 393,203 | 2,711,288 | 1,396,413 | 277,095 | 85,594 |
| Georgia | 104,360 | 720,644 | 5,435,386 | 2,255,321 | 189,412 | 122,699 |
| Idaho | 75,872 | 158,935 | 1,001,360 | 475,609 | 14,850 | 15,618 |
| Illinois | 156,906 | 1,098,786 | 1,444,264 | 1,470,389 | 141,579 | 215,737 |
| Indiana | 109,245 | 655,604 | 1,255,800 | 978,285 | ........... | 80,055 |
| Iowa | 96,146 | 555,178 | 662,687 | 293,368 | 15,520 | 37,969 |
| Kansas | 89,006 | 366,810 | 2,371,701 | 2,671,243 | 20,042 | 42,558 |
| Kentucky | 99,375 | 680,790 | 1,422,670 | 970,469 | 62,925 | 114,323 |
| Louisiana | 96,769 | 491,851 | 964,454 | 444,603 | 229,257 | 86,119 |
| Maine | 79,115 | 154,934 | 393,469 | 429,276 | ........... | 26,030 |
| Maryland | 93,372 | 282,568 | 6,552,684 | 1,661,613 | 55,701 | 81,384 |
| Massachusetts | 116,789 | 499,933 | 58,864 | 663,963 | 7,314 | 131,609 |
| Michigan | 133,559 | 889,109 | 2,930,350 | 1,567,051 | 60,017 | 133,051 |
| Minnesota | 99,751 | 571,955 | 420,915 | 132,322 | ........... | 54,658 |
| Mississippi | 91,735 | 614,315 | 1,322,185 | 523,365 | 179,224 | 90,339 |
| Missouri | 109,448 | 695,773 | 1,615,407 | 939,659 | 81,053 | 100 639 |
| Montana | 75,895 | 154,625 | 636,604 | 202,717 | ........... | 18,984 |
| Nebraska | 83,222 | 287,991 | 689,774 | 806,203 | 98 | 19,104 |
| Nevada | 71,597 | 132,435 | 764,977 | 695,376 | ........... | 9,974 |
| New Hampshire | 75,319 | 153,503 | ......... | 339,474 | ........... | 14,177 |
| New Jersey | 118,233 | 500,499 | 927,027 | 950,039 | 36,182 | 113,245 |
| New Mexico | 76,795 | 167,431 | 3,697,805 | 1,061,886 | 17,532 | 32,102 |
| New York | 217,934 | 1,561,705 | 2,462,955 | 1,852,037 | 95,438 | 367,127 |
| North Carolina | 110,518 | 958,134 | 1,949,731 | 439,390 | 135,806 | 119,042 |
| North Dakota | 76,181 | 202,404 | 84,698 | 148,200 | 6,045 | 28,174 |
| Ohio | 149,269 | 1,109,584 | 3,325,643 | 2,714,192 | 61,846 | 182,282 |
| Oklahoma | 92,278 | 438,879 | 2,075,596 | 2,684,120 | 52,430 | 64,077 |
| Oregon | 85,176 | 263,375 | 274,547 | 259,316 | ........... | 36,614 |
| Pennsylvania | 174,720 | 1,242,328 | 1,012,091 | 1,019,858 | 106,014 | 235,946 |
| Rhode Island | 77,899 | 111,959 | 165,112 | 563,420 | ........... | 23,679 |
| South Carolina | 91,118 | 492,257 | 1,663,090 | 996,388 | 223,313 | 86,257 |
| South Dakota | 76,511 | 201,546 | 173,338 | 531,664 | ........... | 19,082 |
| Tennessee | 102,835 | 715,420 | 1,438,657 | 545,874 | 164,310 | 121,673 |
| Texas | 146,921 | 1,248,752 | 5,446,642 | 4,729,809 | 221,342 | 166,581 |
| Utah | 76,872 | 165,983 | 1,800,535 | 710,404 | 9,384 | 12,039 |
| Vermont | 73,768 | 158,258 | 45,199 | 54,460 | ........... | 16,703 |
| Virginia | 103,104 | 643,318 | 9,078,078 | 5,125,785 | 74,454 | 115,826 |
| Washington | 93,731 | 362,316 | 4,826,126 | 3,240,308 | ........... | 51,912 |
| West Virginia | 90,006 | 414,354 | 6,615 | 33,988 | 43,796 | 55,976 |
| Wisconsin | 104,260 | 615,079 | 120,338 | 310,682 | ........... | 49,260 |
| Wyoming | 72,898 | 158,654 | 901,146 | 124,362 | 4,150 | 10,921 |
| Alaska | 71,283 | 64,327 | ......... | 1,317,752 | 1,147 | 50,879 |
| Hawaii | 74,986 | 158,654 | 1,356,562 | 960,789 | ........... | 36,455 |
| Puerto Rico | 50,000 | 479,789 | ......... | -15,526 | 92,069 | 171,290 |
| Virgin Islands | ......... | 34,991 | ......... | ......... | 3,599 | 8,024 |
| Advances and other undistributed | ......... | ......... | ......... | ......... | ........... | ........... |
| Total | 5,051,500 | 25,311,392 | 105,265,046 | 67,481,674 | [10] 3,095,584 | 4,273,665 |

[9] Does not include payments to Housing and Home Finance Agency for construction of federally owned schools, pursuant to Secs. 303, 304, Public Law 246, 83rd Cong., approved Aug. 8, 1953.
[10] Includes $930,994 in services and supplies furnished in lieu of cash and excludes $9,854 in services to the federally operated center in Arkansas.

TABLE 106.--Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART A. GRANTS TO STATES AND LOCAL UNITS--Continued

| States, Territories, etc. | Department of Health, Education, and Welfare--Continued | | | | | | |
|---|---|---|---|---|---|---|---|
| | Public Health Service--Continued | | | | | | |
| | General health assistance--Regular grants | Mental health activities--Regular grants | Cancer control--Regular grants | Heart disease control--Regular grants | Hospital construction--Regular grants | Construction of community facilities--Emergency grants | National Institutes of Health, construction grants: National Cancer Institute--Regular grants |
| | (21) | (22) | (23) | (24) | (25) | (26) | (27) |
| Alabama | $304,679 | $51,507 | $58,001 | $28,734 | $1,791,474 | $96,000 | ........... |
| Arizona | 74,725 | 10,995 | 12,607 | ......... | 851,218 | ......... | ........... |
| Arkansas | 198,248 | 31,148 | 37,915 | 24,586 | 2,025,701 | 80,700 | ........... |
| California | 537,164 | 135,166 | 139,467 | 49,778 | 2,312,087 | 281,986 | $845,000 |
| Colorado | 100,261 | 18,493 | 23,120 | 15,856 | 432,949 | ......... | ........... |
| Connecticut | 88,285 | 22,648 | 26,959 | 18,318 | 526,371 | ......... | ........... |
| Delaware | 17,672 | 18,496 | 4,770 | 10,700 | ......... | ......... | ........... |
| District of Columbia | 37,483 | 18,367 | 10,655 | 7,595 | 99,607 | ......... | 50,000 |
| Florida | 219,172 | 44,177 | 47,151 | 26,677 | 950,947 | 517,081 | ........... |
| Georgia | 309,975 | 56,116 | 60,061 | 33,382 | 2,762,301 | 536,980 | ........... |
| Idaho | 59,821 | 18,493 | 13,335 | 13,909 | 7,454 | 44,570 | ........... |
| Illinois | 413,367 | 108,082 | 120,600 | 36,550 | 3,452,941 | 531,233 | ........... |
| Indiana | 201,063 | 52,204 | 43,441 | 24,979 | 2,438,478 | 25,285 | ........... |
| Iowa | 159,751 | 36,237 | 41,254 | 22,550 | 1,693,947 | ......... | ........... |
| Kansas | 131,241 | 27,461 | 30,733 | 19,015 | 1,821,370 | ......... | ........... |
| Kentucky | 260,292 | 42,209 | 43,080 | 24,018 | 3,589,802 | 60,965 | ........... |
| Louisiana | 231,282 | 43,263 | 42,262 | 21,851 | 2,831,010 | ......... | ........... |
| Maine | 75,350 | 18,393 | 17,248 | 5,621 | ......... | ......... | ........... |
| Maryland | 136,026 | 33,437 | 33,282 | 20,920 | 425,328 | ......... | ........... |
| Massachusetts | 249,975 | 62,778 | 71,270 | 24,514 | 1,962,200 | ......... | ........... |
| Michigan | 345,913 | 83,380 | 74,656 | 37,100 | 3,080,532 | ......... | ........... |
| Minnesota | 190,350 | 36,780 | 45,019 | 22,376 | 1,586,401 | ......... | 261,938 |
| Mississippi | 263,476 | 39,537 | 48,287 | 29,056 | 3,020,050 | ......... | ........... |
| Missouri | 251,194 | 56,847 | 63,907 | 29,188 | 2,705,433 | ......... | ........... |
| Montana | 52,477 | 18,401 | 12,856 | 12,576 | 189,951 | ......... | ........... |
| Nebraska | 100,235 | 14,444 | 12,253 | 11,928 | 938,246 | ......... | ........... |
| Nevada | 29,767 | 12,538 | 5,477 | 8,224 | 183,625 | 35,100 | ........... |
| New Hampshire | 39,010 | 17,891 | ......... | 11,026 | 205,665 | ......... | ........... |
| New Jersey | 244,991 | 65,750 | 63,129 | 29,088 | 1,836,591 | 6,822 | ........... |
| New Mexico | 74,438 | 18,496 | 13,771 | 14,433 | 389,025 | 216,528 | ........... |
| New York | 669,054 | 188,606 | 203,078 | 57,413 | 3,330,096 | ......... | 10,000 |
| North Carolina | 369,698 | 61,895 | 68,826 | 28,097 | 3,186,131 | 516,718 | ........... |
| North Dakota | 57,892 | 18,496 | 13,552 | 13,793 | 246,543 | ......... | ........... |
| Ohio | 429,387 | 108,330 | 112,406 | 42,173 | 5,261,671 | ......... | 260,000 |
| Oklahoma | 176,350 | 32,822 | 37,004 | 19,498 | 1,518,656 | ......... | ........... |
| Oregon | 108,505 | 19,754 | 17,993 | 8,751 | 557,355 | 93,610 | ........... |
| Pennsylvania | 584,541 | 145,253 | 116,480 | 53,639 | 5,414,511 | ......... | 200,000 |
| Rhode Island | 41,895 | 18,148 | 12,054 | 4,000 | 256,444 | ......... | ........... |
| South Carolina | 210,137 | 35,739 | 38,703 | 23,239 | 3,850,933 | 1,078,892 | ........... |
| South Dakota | 60,633 | 18,134 | 10,492 | 11,365 | 125,385 | ......... | ........... |
| Tennessee | 280,851 | 46,182 | 39,206 | 17,389 | 3,453,618 | ......... | ........... |
| Texas | 541,336 | 115,716 | 107,972 | ......... | 4,725,715 | 2,328 | ........... |
| Utah | 63,664 | 16,827 | 6,990 | 10,989 | 296,624 | ......... | ........... |
| Vermont | 35,446 | 18,496 | 8,646 | 12,982 | 181,426 | ......... | ........... |
| Virginia | 246,849 | 51,204 | 51,832 | 8,983 | 2,129,757 | ......... | ........... |
| Washington | 137,671 | 32,257 | 27,116 | 16,625 | 1,415,069 | ......... | ........... |
| West Virginia | 155,784 | 30,126 | 32,466 | 19,705 | 2,315,709 | ......... | ........... |
| Wisconsin | 198,700 | 42,184 | 36,070 | 16,550 | 1,525,500 | ......... | ........... |
| Wyoming | 38,082 | 5,452 | 7,821 | 5,379 | 131,525 | ......... | ........... |
| Alaska | [11] 37,972 | 17,936 | 5,301 | 9,759 | 593,890 | ......... | ........... |
| Hawaii | 34,532 | 18,496 | 7,372 | 13,330 | 98,781 | ......... | ........... |
| Puerto Rico | 247,731 | 34,235 | 34,742 | 23,391 | 3,492,563 | ......... | ........... |
| Virgin Islands | 4,666 | 17,819 | 611 | 2,536 | ......... | ......... | ........... |
| Advances and other undistributed | ......... | ......... | ......... | ......... | ......... | ......... | ........... |
| Total | 10,129,059 | 2,307,841 | 2,213,299 | 1,054,134 | 88,218,606 | 4,124,798 | 1,626,938 |

[11] An additional payment of $564,000 was made to Alaska for disease and sanitation investigation and control activities.

TABLE 106. --Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART A. GRANTS TO STATES AND LOCAL UNITS--Continued

| States, Territories, etc. | Department of Health, Education, and Welfare--Continued | | | | | | |
|---|---|---|---|---|---|---|---|
| | Social Security Administration | | | | | | |
| | Grants to States for maternal and child welfare services | | | Grants to States for public assistance | | | |
| | Maternal and child health services--Regular grants | Services for crippled children--Regular grants | Child-welfare services--Regular grants | Old-age assistance--Regular grants | Aid to permanently and totally disabled--Regular grants | Aid to dependent children--Regular grants | Aid to the blind--Regular grants |
| | (28) | (29) | (30) | (31) | (32) | (33) | (34) |
| Alabama | $447,733 | $362,115 | $229,040 | $17,588,150 | $2,236,013 | $6,768,371 | $376,029 |
| Arizona | 110,819 | ........ | 64,000 | 5,550,394 | .......... | 3,169,903 | 304,927 |
| Arkansas | 240,988 | 292,464 | 172,253 | 15,236,902 | 719,620 | 3,430,896 | 622,464 |
| California | 484,091 | 318,081 | 214,542 | 123,195,362 | .......... | 41,188,181 | 5,536,541 |
| Colorado | 193,959 | 90,609 | 72,749 | 20,291,692 | 1,787,791 | 4,099,017 | 144,884 |
| Connecticut | 124,310 | 182,906 | 65,851 | 6,615,154 | .......... | 3,073,953 | 126,553 |
| Delaware | 84,498 | 69,075 | 39,665 | 618,559 | 39,139 | 624,125 | 112,532 |
| District of Columbia | 154,332 | 132,153 | 28,916 | 1,095,071 | 680,324 | 1,774,360 | 101,063 |
| Florida | 247,738 | 180,772 | 124,843 | 26,451,048 | .......... | 10,905,438 | 1,283,921 |
| Georgia | 431,004 | 360,184 | 294,916 | 31,115,134 | 2,404,464 | 8,536,904 | 1,127,685 |
| Idaho | 85,804 | 78,467 | 39,986 | 3,713,589 | 381,027 | 1,513,364 | 88,342 |
| Illinois | 314,714 | 353,633 | 163,149 | 39,854,941 | 2,379,967 | 15,812,956 | 1,571,195 |
| Indiana | 193,298 | 155,043 | 61,553 | 13,735,385 | ......... | 5,793,686 | 704,463 |
| Iowa | 153,166 | 211,511 | 157,369 | 16,780,234 | ......... | 4,388,423 | 575,235 |
| Kansas | 127,188 | 120,858 | 109,405 | 15,384,997 | 1,340,592 | 3,057,549 | 264,653 |
| Kentucky | 334,749 | 355,009 | 232,075 | 18,424,759 | ......... | 11,701,159 | 895,029 |
| Louisiana | 311,481 | 238,192 | 168,949 | 48,727,802 | 4,380,638 | 11,159,964 | 741,497 |
| Maine | 92,161 | 87,119 | 71,643 | 5,306,410 | ......... | 3,144,328 | 237,932 |
| Maryland | 322,730 | 260,693 | 97,001 | 3,744,949 | 1,572,818 | 4,059,029 | 174,025 |
| Massachusetts | 322,614 | 192,618 | 76,635 | 35,584,306 | 4,483,137 | 8,110,277 | 784,051 |
| Michigan | 340,834 | 315,325 | 210,651 | 32,082,822 | 804,537 | 13,356,686 | 771,994 |
| Minnesota | 224,406 | 216,328 | 164,261 | 19,457,319 | 102,804 | 5,086,314 | 524,025 |
| Mississippi | 338,393 | 292,811 | 213,330 | 16,990,454 | 573,500 | 3,710,761 | 965,957 |
| Missouri | 250,203 | 250,789 | 169,709 | 57,308,122 | 6,293,081 | 13,007,900 | 1,337,542 |
| Montana | 85,110 | 89,694 | 61,716 | 4,196,644 | 604,816 | 1,686,279 | 223,639 |
| Nebraska | 91,314 | 103,875 | 40,300 | 7,539,268 | ......... | 1,903,486 | 322,588 |
| Nevada | 65,059 | 52,407 | 33,855 | 1,113,520 | ......... | .......... | 39,746 |
| New Hampshire | 71,278 | 84,049 | 48,762 | 2,826,590 | 67,490 | 912,031 | 125,221 |
| New Jersey | 145,873 | 173,492 | 78,300 | 7,835,183 | 1,305,029 | 3,651,970 | 375,553 |
| New Mexico | 108,671 | 76,025 | 69,430 | 4,684,329 | 734,822 | 4,529,101 | 180,692 |
| New York | 436,041 | 337,534 | 183,140 | 44,190,317 | 16,102,566 | 40,340,081 | 1,986,023 |
| North Carolina | 523,580 | 425,324 | 332,965 | 15,465,716 | 2,929,493 | 11,078,510 | 1,834,264 |
| North Dakota | 86,801 | 85,213 | 44,814 | 3,103,523 | 292,871 | 1,013,992 | 44,250 |
| Ohio | 383,268 | 328,628 | 162,732 | 42,984,729 | 3,051,299 | 10,356,285 | 1,654,333 |
| Oklahoma | 160,426 | 236,177 | 142,180 | 37,851,084 | 1,904,636 | 9,380,161 | 884,341 |
| Oregon | 110,438 | 99,389 | 57,541 | 8,903,685 | 1,157,928 | 2,639,393 | 159,546 |
| Pennsylvania | 467,463 | 446,153 | 298,266 | 23,758,394 | 4,622,876 | 20,390,868 | 3,924,723 |
| Rhode Island | 83,349 | 101,084 | 39,112 | 3,021,028 | 434,983 | 2,018,848 | 72,977 |
| South Carolina | 262,125 | 284,422 | 207,708 | 12,475,739 | 2,021,554 | 3,360,262 | 550,063 |
| South Dakota | 63,943 | 79,088 | 71,918 | 4,022,686 | 199,148 | 1,854,458 | 75,744 |
| Tennessee | 424,551 | 351,243 | 227,109 | 20,879,383 | 331,467 | 12,791,835 | 1,078,323 |
| Texas | 519,504 | 507,718 | 321,110 | 72,751,482 | ......... | 11,611,362 | 2,249,378 |
| Utah | 125,391 | 114,679 | 57,586 | 3,777,601 | 668,584 | 2,215,525 | 90,718 |
| Vermont | 78,760 | 72,713 | 52,072 | 2,445,140 | 118,775 | 687,825 | 66,862 |
| Virginia | 344,195 | 310,109 | 213,304 | 5,111,772 | 1,547,052 | 5,332,775 | 425,186 |
| Washington | 169,885 | 146,364 | 109,685 | 26,770,425 | 2,668,625 | 6,891,123 | 356,111 |
| West Virginia | 219,684 | 144,716 | 177,767 | 7,171,309 | 2,148,701 | 11,933,451 | 358,557 |
| Wisconsin | 197,129 | 246,570 | 169,775 | 18,020,385 | 504,812 | 5,805,777 | 514,650 |
| Wyoming | 76,233 | 53,354 | 40,398 | 1,666,458 | 183,649 | 385,498 | 30,542 |
| Alaska | 80,005 | 142,127 | 36,393 | 668,415 | ......... | 656,998 | 24,725 |
| Hawaii | 136,198 | 138,475 | 41,961 | 652,012 | 486,213 | 2,197,848 | 41,932 |
| Puerto Rico | 370,166 | 315,736 | 162,568 | 1,779,394 | 617,359 | 1,800,208 | 53,039 |
| Virgin Islands | 80,420 | 63,953 | 30,232 | 62,690 | 7,116 | 23,757 | 3,196 |
| Advances and other undistributed | ........ | ........ | ........ | ......... | ........ | ......... | ......... |
| Total | 11,898,073 | 10,727,066 | 6,755,190 | 960,582,456 | 74,891,316 | 364,923,251 | 37,119,461 |

TABLE 106. --Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART A. GRANTS TO STATES AND LOCAL UNITS--Continued

| States, Territories, etc. | Department of Health, Education, and Welfare—Continued | | Department of the Interior | | | | Department of Labor |
|---|---|---|---|---|---|---|---|
| | American Printing House for the Blind--Regular grants | Office of Vocational Rehabilitation--Regular grants | Federal Aid, Wildlife Restoration, Fish and Wildlife Service[12]--Regular grants | Payments from receipts under Migratory Bird Conservation Act and Alaska game law[13]--Shared revenues | Payments from receipts under Mineral Leasing Act--Shared revenues | Payments under certain special funds[14]--Shared revenues | Unemployment Compensation and Employment Service Administration--Regular grants |
| | (35) | (36) | (37) | (38) | (39) | (40) | (41) |
| Alabama | $4,784 | $582,693 | $247,735 | $227 | $899 | $1,810 | $2,658,254 |
| Arizona | 1,217 | 129,602 | 326,290 | ......... | 42,502 | 328,831 | 1,871,693 |
| Arkansas | 3,454 | 364,338 | 280,278 | 1,139 | 4,924 | 1,014 | 1,936,822 |
| California | 10,531 | 1,701,318 | 725,156 | 1,490 | 3,511,557 | 52,896 | 20,743,727 |
| Colorado | 1,982 | 173,519 | 477,239 | 97 | 2,875,616 | 28,330 | 1,617,477 |
| Connecticut | 2,321 | 279,998 | 89,861 | ......... | ......... | ......... | 3,182,709 |
| Delaware | ........ | 143,723 | 111,438 | 305 | ......... | ......... | 476,908 |
| District of Columbia | 396 | 251,634 | ......... | ......... | ......... | ......... | 694,386 |
| Florida | 3,256 | 712,640 | 204,561 | 772 | ......... | 1,215 | 2,946,904 |
| Georgia | 4,699 | 1,583,486 | 76,222 | 21,342 | ......... | ......... | 2,952,299 |
| Idaho | 651 | 58,186 | 332,717 | 2,211 | 76,539 | 31,130 | 1,044,688 |
| Illinois | 9,767 | 1,314,948 | 268,956 | 1,833 | 8 | ......... | 9,019,592 |
| Indiana | 3,312 | 342,882 | 274,304 | ......... | ......... | ......... | 3,710,213 |
| Iowa | 3,907 | 299,416 | 311,219 | 1,100 | ......... | 12 | 1,612,290 |
| Kansas | 2,067 | 210,741 | 866,081 | ......... | 34,398 | 36 | 1,466,552 |
| Kentucky | 3,369 | 130,660 | 260,574 | 938 | ......... | ......... | 2,335,388 |
| Louisiana | 3,652 | 462,669 | 168,386 | 294,913 | 35,245 | 878 | 2,700,475 |
| Maine | ........ | 84,088 | 149,380 | 632 | ......... | ......... | 981,368 |
| Maryland | 3,708 | 442,968 | 103,272 | 576 | ......... | ......... | 3,492,166 |
| Massachusetts | 6,907 | 245,742 | 92,469 | 28 | ......... | ......... | 8,621,154 |
| Michigan | 8,804 | 991,970 | 629,722 | 1,394 | 5,560 | 14 | 9,505,430 |
| Minnesota | 4,360 | 305,456 | 367,513 | 1,585 | ......... | 181 | 3,047,376 |
| Mississippi | 3,227 | 388,254 | 165,794 | 6,359 | 2,006 | 72 | 1,900,870 |
| Missouri | 4,218 | 439,725 | 859,206 | 597 | ......... | ......... | 3,507,407 |
| Montana | 651 | 130,137 | 464,349 | 11,474 | 1,004,615 | 32,316 | 979,432 |
| Nebraska | 1,047 | 195,124 | 211,444 | 32,004 | 2,344 | 582 | 867,051 |
| Nevada | ........ | 24,028 | 149,578 | 3,337 | 155,986 | 40,431 | 596,264 |
| New Hampshire | ........ | 48,860 | 146,277 | ......... | ......... | ......... | 689,327 |
| New Jersey | 6,398 | 483,274 | 134,777 | 16 | ......... | ......... | 7,073,571 |
| New Mexico | 1,840 | 116,171 | 216,498 | 677 | 3,449,455 | 332,606 | 1,057,552 |
| New York | 15,315 | 1,477,114 | 786,426 | 1,809 | ......... | ......... | 29,680,965 |
| North Carolina | 9,484 | 805,779 | 206,912 | 4,742 | ......... | ......... | 3,754,661 |
| North Dakota | 878 | 93,869 | 173,537 | 16,602 | 56,183 | 1,309 | 601,012 |
| Ohio | 9,653 | 505,023 | 545,144 | ......... | ......... | ......... | 9,733,492 |
| Oklahoma | 2,435 | 469,194 | 392,485 | 7,225 | 21,189 | 9,161 | 2,301,773 |
| Oregon | 2,123 | 321,598 | 323,061 | 30,688 | 4,483 | 6,453,169 | 2,578,797 |
| Pennsylvania | 11,324 | 1,627,713 | 636,069 | ......... | ......... | ......... | 17,066,884 |
| Rhode Island | ........ | 106,224 | 38,457 | ......... | ......... | ......... | 1,649,082 |
| South Carolina | 2,519 | 504,961 | 224,901 | 99 | ......... | ......... | 2,445,211 |
| South Dakota | 1,047 | 73,492 | 192,536 | 1,633 | 63,476 | 5,077 | 476,144 |
| Tennessee | 4,360 | 650,433 | 264,887 | 154 | ......... | ......... | 2,875,204 |
| Texas | 6,851 | 997,561 | 691,960 | 6,706 | ......... | ......... | 8,450,280 |
| Utah | 906 | 107,301 | 229,397 | 1,245 | 1,016,696 | 32,273 | 1,379,048 |
| Vermont | ........ | 96,325 | 69,089 | 32 | ......... | ......... | 618,308 |
| Virginia | 5,265 | 486,762 | 165,913 | 407 | ......... | ......... | 1,841,378 |
| Washington | 2,180 | 463,182 | 259,901 | 1,537 | 1,419 | 12,196 | 4,081,503 |
| West Virginia | 2,888 | 509,272 | 150,249 | ......... | ......... | ......... | 1,518,778 |
| Wisconsin | 4,897 | 550,953 | 605,233 | 12,245 | ......... | 88 | 3,147,634 |
| Wyoming | ........ | 76,939 | 253,975 | 363 | 6,226,609 | 102,462 | 551,840 |
| Alaska | ........ | 39,346 | 133,938 | 87,952 | 149,295 | 545 | 692,464 |
| Hawaii | 283 | 167,233 | 41,292 | ......... | ......... | ......... | 643,857 |
| Puerto Rico | 2,067 | 290,553 | 2,834 | ......... | ......... | ......... | 733,164 |
| Virgin Islands | ........ | ......... | 10,000 | ......... | ......... | ......... | 22,026 |
| Advances and other undistributed | ........ | ......... | ......... | ......... | ......... | ......... | 3,066 |
| Total | 185,000 | 23,059,077 | 15,109,493 | 558,485 | 18,741,004 | 7,468,636 | 200,135,916 |

[12] Comprises $12,818,526 for Federal aid, wildlife restoration, and $2,290,967 for Federal aid in fish restoration and management.

[13] Comprises payments of $470,621 under Migratory Bird Conservation Act and $87,864 under Alaska game law.

[14] Comprises $412,820 payments to States from grazing receipts; $8,803, payments to Oklahoma from royalties, oil and gas, South Half of Red River; $6,422,027, payments to counties, Oregon and California grant lands; $545, payments to Territory of Alaska, income and proceeds, Alaska school lands; $300,000 each to Arizona and Nevada under Colorado River Dam Fund; and $24,441, operation and maintenance, Reclamation Fund.

TABLE 106. --Expenditures made by the Government as direct paymnets to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART A. GRANTS TO STATES AND LOCAL UNITS--Continued

| States, Territories, etc. | Federal Civil Defense Administration | | Federal Power Commission: Payments to States under Federal Power Act--Shared revenues | Housing and Home Finance Agency | | | |
|---|---|---|---|---|---|---|---|
| | | | | Office of Administrator | | | Public Housing Administration |
| | Federal contributions--Emergency grants | Disaster relief--Emergency grants | | Defense community facilities and services--Emergency grants | Slum clearance and urban redevelopment program--Regular grants | Disaster relief--Emergency grants | Annual contributions--Regular grants |
| | (42) | (43) | (44) | (45) | (46) | (47) | (48) |
| Alabama | $149,653 | ... | $43 | $157,955 | ... | ... | $2,210,292 |
| Arizona | 61,395 | ... | 651 | ... | ... | ... | 200,942 |
| Arkansas | 14,976 | ... | 16 | 259,589 | ... | $36,062 | 454,524 |
| California | 2,130,707 | ... | 21,511 | 219,072 | ... | ... | 1,379,741 |
| Colorado | 106,886 | ... | 580 | 1,500 | ... | ... | 69,547 |
| Connecticut | 199,227 | ... | ... | ... | ... | ... | 1,223,996 |
| Delaware | 161,495 | ... | ... | ... | ... | ... | ... |
| District of Columbia | 113,209 | ... | ... | ... | ... | ... | 177,469 |
| Florida | 53,738 | ... | 5 | 300,000 | ... | ... | 1,207,936 |
| Georgia | 367,496 | ... | ... | 966,006 | ... | ... | 2,571,163 |
| Idaho | 101 | ... | 3,316 | 60,500 | ... | ... | 33,939 |
| Illinois | 442,694 | ... | ... | 482,830 | $5,342,240 | ... | 1,262,569 |
| Indiana | 100,861 | ... | ... | 353,874 | ... | ... | 476,105 |
| Iowa | 13,031 | $98,571 | ... | ... | ... | 166,881 | ... |
| Kansas | 100,533 | ... | ... | 22,515 | ... | 10,044 | ... |
| Kentucky | 70,945 | ... | ... | 1,128,213 | ... | ... | 1,878,341 |
| Louisiana | 93,125 | 215,833 | ... | 22,371 | ... | ... | 1,484,495 |
| Maine | 15,065 | ... | ... | 33,764 | ... | ... | 22,623 |
| Maryland | 246,922 | ... | ... | ... | 1,503,105 | ... | 1,295,224 |
| Massachusetts | 388,910 | 132,148 | ... | ... | ... | ... | 1,643,870 |
| Michigan | 251,363 | 16,176 | 67 | 4,943 | ... | ... | 423,018 |
| Minnesota | 179,169 | ... | 11 | ... | ... | 32,719 | 350,604 |
| Mississippi | 44,057 | 268 | 24 | ... | ... | ... | 383,178 |
| Missouri | 170,110 | ... | ... | 56,148 | ... | 81,058 | 445,677 |
| Montana | 16,127 | 85,564 | 862 | ... | ... | ... | 41,908 |
| Nebraska | 58,262 | ... | ... | ... | ... | 27,198 | 199,205 |
| Nevada | 12,727 | ... | 902 | 920 | ... | ... | 28,129 |
| New Hampshire | 23,162 | 149,933 | ... | ... | ... | ... | 296,043 |
| New Jersey | 310,640 | ... | ... | 880 | ... | ... | 2,094,227 |
| New Mexico | ... | ... | 10 | 403,168 | ... | ... | 24,863 |
| New York | 2,260,658 | ... | ... | ... | 4,738,365 | ... | 3,445,513 |
| North Carolina | 23,541 | ... | 31 | 216,805 | ... | ... | 1,469,045 |
| North Dakota | 6,953 | ... | ... | 16,700 | ... | ... | ... |
| Ohio | 759,095 | ... | ... | 675,677 | ... | ... | ... |
| Oklahoma | 228,765 | ... | 3 | ... | ... | - 1,000 | ... |
| Oregon | 142,213 | ... | 1,988 | ... | ... | ... | 34,229 |
| Pennsylvania | 1,128,234 | ... | 16 | ... | ... | ... | 1,603,129 |
| Rhode Island | 78,120 | ... | ... | ... | ... | ... | 750,667 |
| South Carolina | 5,692 | ... | 983 | 1,249,244 | ... | ... | 926,963 |
| South Dakota | 418 | ... | ... | ... | ... | ... | ... |
| Tennessee | 186,426 | ... | ... | ... | ... | ... | 1,676,231 |
| Texas | 144,268 | 267,050 | ... | 1,464,717 | ... | ... | 3,262,039 |
| Utah | 29,101 | ... | 1,260 | ... | ... | 136,970 | ... |
| Vermont | 15,121 | ... | ... | ... | ... | ... | ... |
| Virginia | 135,508 | ... | 16 | ... | ... | ... | 1,028,628 |
| Washington | 293,869 | ... | 1,767 | ... | ... | ... | 306,606 |
| West Virginia | 5,654 | ... | 3 | ... | ... | ... | 124,163 |
| Wisconsin | 126,635 | ... | 42 | ... | ... | ... | 390,106 |
| Wyoming | 1,354 | ... | 240 | ... | ... | ... | ... |
| Alaska | 103,347 | 5,949 | 534 | 481,269 | ... | 13 | 168,224 |
| Hawaii | 18,549 | ... | ... | ... | ... | ... | 112,002 |
| Puerto Rico | 215,902 | ... | 13 | ... | ... | ... | 987,348 |
| Virgin Islands | ... | ... | ... | ... | ... | ... | 69,374 |
| Advances and other undistributed | [15]1,890,758 | 3,489 | ... | ... | ... | ... | ... |
| Total | 13,696,766 | 974,981 | 34,895 | 8,578,659 | 11,583,710 | 489,945 | 38,233,895 |

[15] Includes $4,483, contribution to island of Guam.

TABLE 106.--Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART A. GRANTS TO STATES AND LOCAL UNITS--Continued

| States, Territories, etc. | Veterans' Administration | | Total grant payments (Part A) |
|---|---|---|---|
| | State and territorial homes for disabled soldiers and sailors--Regular grants (49) | Supervision of on-the-job training--Regular grants (50) | (51) |
| Alabama | ............. | $64,749 | $67,181,131 |
| Arizona | ............. | 18,425 | 27,597,642 |
| Arkansas | ............. | 44,221 | 44,754,258 |
| California | $866,945 | 212,178 | 283,887,789 |
| Colorado | 7,257 | 64,408 | 48,902,217 |
| Connecticut | 208,197 | 30,675 | 23,697,011 |
| Delaware | ............. | ............. | 4,886,625 |
| District of Columbia | ............. | ............. | 8,899,604 |
| Florida | ............. | 54,855 | 64,763,487 |
| Georgia | ............. | 121,460 | 86,109,512 |
| Idaho | 28,923 | ............. | 18,228,175 |
| Illinois | 440,574 | 121,829 | 127,110,324 |
| Indiana | 121,908 | 13,238 | 48,901,342 |
| Iowa | 91,219 | 35,746 | 43,599,668 |
| Kansas | 9,749 | 36,256 | 48,468,863 |
| Kentucky | ............. | 48,013 | 64,504,059 |
| Louisiana | ............. | 136,979 | 93,915,965 |
| Maine | ............. | ............. | 18,949,157 |
| Maryland | ............. | 7,582 | 34,407,716 |
| Massachusetts | 343,540 | 72,749 | 83,681,498 |
| Michigan | 329,221 | 26,802 | 92,884,219 |
| Minnesota | 135,614 | 61,037 | 52,684,537 |
| Mississippi | ............. | 35,435 | 50,679,734 |
| Missouri | 51,084 | 81,394 | 118,098,228 |
| Montana | 26,795 | 25,969 | 19,498,221 |
| Nebraska | 62,446 | 27,693 | 22,984,203 |
| Nevada | ............. | 309 | 9,835,639 |
| New Hampshire | 17,855 | 12,952 | 10,296,553 |
| New Jersey | 79,290 | 29,440 | 47,542,268 |
| New Mexico | ............. | 16,661 | 32,197,257 |
| New York | 5,386 | 51,094 | 204,650,134 |
| North Carolina | ............. | 79,207 | 69,423,882 |
| North Dakota | 23,103 | 2,318 | 15,952,651 |
| Ohio | 269,801 | 87,981 | 131,000,531 |
| Oklahoma | 135,690 | 50,430 | 75,828,922 |
| Oregon | ............. | 9,586 | 44,099,489 |
| Pennsylvania | 94,378 | 121,606 | 133,368,434 |
| Rhode Island | 64,034 | 12,858 | 13,926,202 |
| South Carolina | ............. | 35,791 | 46,147,889 |
| South Dakota | 54,826 | 33,914 | 17,436,493 |
| Tennessee | ............. | 99,717 | 71,206,611 |
| Texas | ............. | 135,851 | 169,058,317 |
| Utah | ............. | 22,195 | 23,011,226 |
| Vermont | 25,280 | 6,519 | 8,778,554 |
| Virginia | ............. | 54,186 | 57,158,042 |
| Washington | 167,004 | 16,087 | 68,749,895 |
| West Virginia | ............. | 48,168 | 37,462,877 |
| Wisconsin | 77,867 | 45,789 | 57,430,832 |
| Wyoming | 7,380 | 2,550 | 17,407,978 |
| Alaska | ............. | ............. | 6,450,078 |
| Hawaii | ............. | ............. | 13,559,381 |
| Puerto Rico | ............. | ............. | 21,243,682 |
| Virgin Islands | ............. | ............. | 582,697 |
| Advances and other undistributed | ............. | 10,408 | 1,907,721 |
| Total | 3,745,366 | 2,327,310 | 3,004,989,428 |

TABLE 106. --Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES OTHER THAN DIRECT GRANTS AND LOANS

| States, Territories, etc. | Department of Agriculture | | | | Department of Commerce | | Defense Department |
|---|---|---|---|---|---|---|---|
| | | | Commodity Credit Corporation | | | | Air Force |
| | Agricultural conservation program (52) | Administration of Sugar Act program (53) | Disaster loans, etc. (Handling, transportation and other costs-feed furnished to farmers and stockmen) (54) | Losses on emergency feed sold to farmers and stockmen at less than cost (55) | Bureau of Public Roads, forest highways (56) | State Marine Schools (Subsistence of cadets) (57) | National Guard (58) |
| Alabama | $4,633,424 | ......... | $108,500 | $186,000 | $112,745 | ......... | $1,670,375 |
| Arizona | 1,333,766 | ......... | ......... | ............ | 1,137,649 | ......... | 408,651 |
| Arkansas | 4,527,848 | ......... | 3,294,000 | 5,698,800 | 180,803 | ......... | 1,916,289 |
| California | 4,501,152 | $7,525,427 | ......... | ............ | 3,491,231 | $47,503 | 3,454,218 |
| Colorado | 3,746,138 | 4,815,362 | 554,300 | 746,400 | 1,161,679 | ......... | 722,541 |
| Connecticut | 354,200 | ......... | ......... | ............ | ......... | ......... | 607,849 |
| Delaware | 330,194 | ......... | ......... | ............ | ......... | ......... | 351,939 |
| District of Columbia | ......... | ......... | ......... | ............ | ......... | ......... | 1,457,050 |
| Florida | 2,011,680 | 1,470,933 | 345,400 | 391,100 | 10,161 | ......... | 483,124 |
| Georgia | 5,726,404 | ......... | ......... | ............ | 62,378 | ......... | 1,740,261 |
| Idaho | 1,596,697 | 3,571,222 | ......... | ............ | 2,627,157 | ......... | 838,131 |
| Illinois | 7,246,795 | 55,952 | ......... | ............ | ......... | ......... | 1,407,104 |
| Indiana | 4,234,822 | 5,183 | ......... | ............ | ......... | ......... | 3,482,758 |
| Iowa | 7,446,628 | 19,067 | ......... | ............ | ......... | ......... | 742,873 |
| Kansas | 6,461,852 | 89,157 | 1,948,800 | 3,100,200 | ......... | ......... | 433,038 |
| Kentucky | 6,636,105 | ......... | 669,800 | 1,071,900 | 92,436 | ......... | 643,814 |
| Louisiana | 2,976,807 | 7,269,470 | ......... | ............ | ......... | ......... | 2,044,222 |
| Maine | 724,216 | ......... | ......... | ............ | 16,969 | 58,637 | 1,696,995 |
| Maryland | 1,180,996 | ......... | ......... | ............ | ......... | ......... | 503,048 |
| Massachusetts | 403,471 | ......... | ......... | ............ | ......... | 50,197 | 1,645,264 |
| Michigan | 4,942,690 | 1,474,045 | ......... | ............ | 408,891 | ......... | 2,158,203 |
| Minnesota | 3,761,420 | 1,689,559 | ......... | ............ | 344,390 | ......... | 1,018,550 |
| Mississippi | 3,601,262 | ......... | 261,400 | 367,800 | 34,945 | ......... | 2,543,304 |
| Missouri | 8,405,556 | ......... | 4,748,600 | 7,599,500 | 63,260 | ......... | 1,152,606 |
| Montana | 3,305,235 | 1,447,221 | ......... | ............ | 1,871,113 | ......... | 2,001,508 |
| Nebraska | 6,604,005 | 1,959,622 | ......... | ............ | 35,335 | ......... | 368,625 |
| Nevada | 286,656 | ......... | 318,400 | 405,400 | 190,324 | ......... | 3,203,129 |
| New Hampshire | 290,997 | ......... | ......... | ............ | 95,541 | ......... | 358,183 |
| New Jersey | 723,237 | ......... | ......... | ............ | ......... | ......... | 1,183,209 |
| New Mexico | 1,716,179 | 7,444 | 3,166,100 | 4,199,600 | 742,532 | ......... | 399,611 |
| New York | 3,804,957 | ......... | ......... | ............ | ......... | 112,842 | 6,517,214 |
| North Carolina | 4,322,818 | ......... | 361,800 | 480,600 | ......... | ......... | 439,906 |
| North Dakota | 4,873,038 | 841,249 | ......... | ............ | ......... | ......... | 1,875,821 |
| Ohio | 5,029,484 | 448,165 | ......... | ............ | 45,073 | ......... | 5,404,988 |
| Oklahoma | 5,348,216 | ......... | 2,288,400 | 3,778,400 | 77,039 | ......... | 840,493 |
| Oregon | 1,986,744 | 922,702 | ......... | ............ | 2,504,181 | ......... | 732,892 |
| Pennsylvania | 4,962,092 | ......... | ......... | ............ | 24,383 | ......... | 2,481,794 |
| Rhode Island | 40,548 | ......... | ......... | ............ | ......... | ......... | 456,340 |
| South Carolina | 2,751,435 | ......... | ......... | ............ | 30,961 | ......... | 434,835 |
| South Dakota | 3,314,526 | 106,873 | ......... | ............ | 155,349 | ......... | 583,952 |
| Tennessee | 4,710,545 | ......... | 1,368,500 | 2,316,000 | 68,150 | ......... | 920,733 |
| Texas | 14,404,982 | 46,492 | 9,128,300 | 14,526,400 | 65,500 | ......... | 1,566,155 |
| Utah | 1,806,759 | 1,035,636 | 101,300 | 73,000 | 658,422 | ......... | 515,738 |
| Vermont | 915,840 | ......... | ......... | ............ | 41,696 | ......... | 350,991 |
| Virginia | 3,505,539 | ......... | 691,700 | 1,022,000 | 98,997 | ......... | 122,509 |
| Washington | 2,455,140 | 1,657,448 | ......... | ............ | 1,062,623 | ......... | 592,431 |
| West Virginia | 1,030,996 | ......... | 203,900 | 418,137 | 157,309 | ......... | 467,871 |
| Wisconsin | 5,206,681 | 215,788 | ......... | ............ | 54,380 | ......... | 1,064,093 |
| Wyoming | 1,571,971 | 1,239,587 | 137,500 | 129,400 | 1,187,200 | ......... | 1,407,819 |
| Alaska | 24,843 | ......... | ......... | ............ | 2,836,643 | ......... | 971,657 |
| Hawaii | 140,295 | 10,075,979 | 33,400 | 49,200 | ......... | ......... | 834,220 |
| Puerto Rico | 834,864 | 16,878,550 | ......... | ............ | ......... | ......... | 2,240,553 |
| Virgin Islands | 7,899 | 170,856 | ......... | ............ | ......... | ......... | ............ |
| Advances and other undistributed | ......... | ......... | [16] 500,000 | ............ | ......... | ......... | [17] 15,226,206 |
| Total | 172,760,644 | 65,038,989 | 30,230,100 | [18] 46,559,837 | 21,747,442 | 269,179 | [19] 86,685,683 |

[16] Not distributable by States, representing reimbursement to Commodity Credit Corporation for hay furnished to farmers and stockmen at less than cost.

[17] Represents expenditures accounted for by the National Guard Bureau. The amount each State received cannot be ascertained.

[18] Represents estimated obligations based principally on applications for emergency feed assistance. They are subject to revision depending upon quantities of feed actually delivered.

[19] On obligation basis.

TABLE 106.--Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES OTHER THAN DIRECT GRANTS AND LOANS

| States, Territories, etc. | Defense Department--Continued | Department of Health, Education, and Welfare--National Institutes of Health | | | | | |
|---|---|---|---|---|---|---|---|
| | Army | Research grants | | | | | |
| | National Guard (59) | National Arthritis and Metabolic Diseases Institute (60) | National Neurological Diseases and Blindness Institute (61) | National Cancer Institute (62) | National Institute of Dental Research (63) | National Microbiological Institute (64) | National Heart Institute (65) |
| Alabama | $3,147,913 | $13,839 | $6,200 | $92,576 | ........ | $7,005 | $41,882 |
| Arizona | 1,404,465 | 10,800 | ........ | ........ | ........ | 2,900 | ........ |
| Arkansas | 1,851,508 | 9,503 | 12,350 | 17,954 | ........ | 2,268 | 26,522 |
| California | 6,641,422 | 302,529 | 304,864 | 691,425 | $7,777 | 221,466 | 751,875 |
| Colorado | 911,092 | 61,953 | 30,782 | 4,981 | ........ | 21,920 | 77,539 |
| Connecticut | 1,536,262 | 118,556 | 29,720 | 185,279 | 15,000 | 16,449 | 70,906 |
| Delaware | 697,806 | ........ | ........ | ........ | ........ | ........ | 12,600 |
| District of Columbia | 704,411 | 71,170 | 96,400 | 163,397 | ........ | 56,914 | 117,461 |
| Florida | 2,995,700 | 20,682 | ........ | 70,159 | ........ | 3,000 | 38,778 |
| Georgia | 3,557,531 | 32,206 | 27,297 | 15,779 | 8,942 | 24,764 | 71,712 |
| Idaho | 1,094,589 | ........ | ........ | 4,147 | ........ | ........ | ........ |
| Illinois | 3,015,999 | 213,497 | 183,998 | 460,158 | 45,485 | 135,638 | 473,225 |
| Indiana | 2,900,645 | 51,015 | 29,916 | 58,676 | 6,048 | 20,982 | 15,719 |
| Iowa | 2,260,416 | 28,481 | 42,972 | 51,186 | 6,000 | ........ | 9,723 |
| Kansas | 1,896,477 | 13,923 | 50,118 | 56,150 | ........ | 43,024 | 71,180 |
| Kentucky | 1,248,734 | 29,345 | ........ | 6,000 | ........ | ........ | 42,129 |
| Louisiana | 2,329,072 | 58,707 | 27,788 | 42,686 | ........ | 95,330 | 164,809 |
| Maine | 1,621,337 | 5,488 | ........ | 175,061 | ........ | 4,580 | ........ |
| Maryland | 2,381,642 | 51,592 | 116,882 | 184,807 | ........ | 104,644 | 205,181 |
| Massachusetts | 3,840,422 | 475,691 | 386,247 | 1,136,139 | 10,480 | 161,326 | 1,087,549 |
| Michigan | 3,612,394 | 100,000 | 76,573 | 235,077 | 14,067 | 62,777 | 144,880 |
| Minnesota | 3,646,221 | 30,823 | 85,914 | 135,746 | 7,358 | 53,676 | 296,520 |
| Mississippi | 1,954,243 | ........ | ........ | ........ | ........ | ........ | 10,724 |
| Missouri | 2,693,835 | 114,638 | 113,938 | 111,253 | ........ | 33,940 | 155,241 |
| Montana | 872,959 | ........ | ........ | 5,845 | ........ | 4,212 | 33,000 |
| Nebraska | 1,286,901 | ........ | 8,952 | 13,720 | ........ | 24,030 | 53,813 |
| Nevada | 519,393 | ........ | ........ | ........ | ........ | ........ | ........ |
| New Hampshire | 1,486,994 | ........ | ........ | ........ | ........ | ........ | 50,012 |
| New Jersey | 5,319,059 | 9,700 | ........ | 25,660 | 11,448 | 27,448 | 16,632 |
| New Mexico | 1,037,461 | 5,000 | ........ | 11,603 | ........ | 3,500 | 10,800 |
| New York | 8,474,755 | 564,017 | 436,856 | 1,807,252 | 29,091 | 311,718 | 1,362,945 |
| North Carolina | 2,298,609 | 39,836 | 53,031 | 95,460 | ........ | 39,383 | 215,324 |
| North Dakota | 900,450 | 5,400 | ........ | 6,534 | ........ | ........ | ........ |
| Ohio | 2,711,038 | 169,883 | 182,240 | 127,611 | 18,909 | 123,452 | 381,891 |
| Oklahoma | 2,300,584 | 12,468 | 11,243 | 117,661 | ........ | 5,460 | 51,721 |
| Oregon | 2,166,052 | 37,408 | 52,044 | 83,244 | 14,700 | 3,677 | 13,300 |
| Pennsylvania | 3,244,162 | 257,425 | 194,716 | 499,971 | 22,650 | 165,584 | 489,311 |
| Rhode Island | 656,038 | ........ | 3,976 | 27,026 | ........ | 4,666 | ........ |
| South Carolina | 2,862,477 | ........ | ........ | 21,750 | ........ | 13,640 | 26,910 |
| South Dakota | 892,098 | 11,940 | ........ | 2,500 | ........ | ........ | 3,500 |
| Tennessee | 2,467,879 | 31,363 | 28,398 | 118,521 | ........ | 34,703 | 102,656 |
| Texas | 7,191,303 | 34,797 | 26,730 | 128,127 | ........ | 78,479 | 90,927 |
| Utah | 1,197,248 | 114,297 | 98,949 | 130,070 | ........ | 13,048 | 15,228 |
| Vermont | 821,099 | 11,394 | ........ | 29,900 | ........ | ........ | 26,080 |
| Virginia | 2,050,176 | 12,085 | 22,376 | 55,832 | 8,477 | 14,633 | 68,452 |
| Washington | 2,359,000 | 77,996 | 73,628 | 102,689 | ........ | 18,316 | 135,109 |
| West Virginia | 1,400,726 | ........ | ........ | ........ | ........ | ........ | 6,000 |
| Wisconsin | 2,716,938 | 60,360 | 2,160 | 176,235 | 2,050 | 42,680 | 69,266 |
| Wyoming | 626,393 | ........ | ........ | ........ | ........ | ........ | ........ |
| Alaska | 665,005 | ........ | ........ | ........ | ........ | ........ | ........ |
| Hawaii | 2,072,833 | ........ | ........ | ........ | ........ | 11,450 | ........ |
| Puerto Rico | 1,458,929 | ........ | 8,775 | 10,550 | ........ | ........ | 11,114 |
| Virgin Islands | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Advances and other undistributed | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Total | [19] 120,000,696 | 3,269,807 | 2,826,033 | 7,496,397 | 228,482 | 2,012,682 | 7,120,146 |

[19] On obligation basis.

TABLE 106. --Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES OTHER THAN DIRECT GRANTS AND LOANS--Continued

| States, Territories, etc. | Department of Health, Education, and Welfare--National Institutes of Health--Continued | | | | | | |
|---|---|---|---|---|---|---|---|
| | Research grants--Continued | | Traineeship awards | | | | |
| | National Institute of Mental Health (66) | Division of Research Grants (67) | National Arthritis and Metabolic Diseases Institute (68) | National Neurological Diseases and Blindness Institute (69) | National Cancer Institute (70) | National Heart Institute (71) | National Mental Health Institute (72) |
| Alabama | ......... | $18,000 | $7,200 | ......... | ......... | $10,366 | ......... |
| Arizona | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Arkansas | ......... | 16,200 | ......... | ......... | $3,600 | ......... | ......... |
| California | $171,315 | 671,986 | 18,217 | ......... | 31,500 | 38,853 | $115,109 |
| Colorado | 31,912 | 102,286 | 7,200 | ......... | 11,260 | ......... | 54,742 |
| Connecticut | 148,371 | 101,095 | 3,600 | $3,600 | 3,600 | ......... | 54,340 |
| Delaware | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| District of Columbia | 27,486 | 63,956 | 10,800 | 3,600 | 10,800 | 22,249 | 61,880 |
| Florida | 14,976 | 68,613 | ......... | ......... | 3,600 | ......... | ......... |
| Georgia | 29,502 | 59,728 | 3,600 | ......... | 14,400 | 10,270 | 5,600 |
| Idaho | 9,574 | ......... | ......... | ......... | ......... | ......... | ......... |
| Illinois | 259,309 | 337,091 | 3,043 | ......... | 12,600 | 13,800 | 122,833 |
| Indiana | 22,000 | 33,023 | 3,600 | ......... | ......... | ......... | 30,501 |
| Iowa | 54,123 | 70,892 | ......... | ......... | 3,600 | 3,600 | 18,400 |
| Kansas | 83,756 | 27,376 | 10,200 | 6,600 | 7,200 | 6,000 | 31,000 |
| Kentucky | ......... | 20,178 | ......... | ......... | ......... | ......... | 19,083 |
| Louisiana | 110,437 | 28,018 | 10,200 | 3,000 | 7,200 | 13,800 | 52,800 |
| Maine | 21,288 | 21,120 | ......... | ......... | ......... | ......... | ......... |
| Maryland | 132,105 | 243,804 | 3,600 | ......... | 21,600 | 12,070 | 46,900 |
| Massachusetts | 486,531 | 490,138 | 16,368 | 22,800 | 32,400 | 50,637 | 263,050 |
| Michigan | 172,485 | 58,969 | 3,625 | ......... | 25,200 | ......... | 28,040 |
| Minnesota | 55,576 | 138,133 | 10,800 | ......... | 22,050 | 25,370 | 72,734 |
| Mississippi | ......... | 2,195 | ......... | ......... | ......... | ......... | ......... |
| Missouri | 121,158 | 115,824 | 10,259 | ......... | 26,930 | ......... | 42,434 |
| Montana | ......... | 4,320 | ......... | ......... | ......... | ......... | ......... |
| Nebraska | ......... | 900 | ......... | ......... | ......... | ......... | 5,582 |
| Nevada | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| New Hampshire | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| New Jersey | 10,336 | 12,571 | ......... | ......... | ......... | ......... | ......... |
| New Mexico | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| New York | 293,824 | 491,313 | 34,215 | 47,000 | 121,200 | 66,443 | 161,183 |
| North Carolina | 57,749 | 112,841 | 24,027 | 7,200 | 25,200 | 12,000 | 40,150 |
| North Dakota | ......... | 2,999 | ......... | ......... | ......... | ......... | ......... |
| Ohio | 25,477 | 121,606 | 13,800 | ......... | 600 | 10,800 | 79,050 |
| Oklahoma | 8,926 | 16,011 | 3,000 | ......... | 3,600 | 3,600 | ......... |
| Oregon | ......... | 4,000 | ......... | ......... | ......... | ......... | ......... |
| Pennsylvania | 116,970 | 201,407 | 16,250 | 3,000 | 55,200 | 51,235 | 151,217 |
| Rhode Island | ......... | 24,013 | ......... | ......... | ......... | 6,610 | ......... |
| South Carolina | ......... | 14,715 | ......... | ......... | ......... | 6,600 | ......... |
| South Dakota | 8,738 | 9,436 | ......... | ......... | ......... | ......... | ......... |
| Tennessee | 37,868 | 47,088 | 3,600 | ......... | 21,340 | 3,600 | 23,550 |
| Texas | 10,104 | 103,670 | ......... | ......... | 11,740 | ......... | 5,800 |
| Utah | 23,120 | 80,255 | 3,600 | ......... | ......... | ......... | 10,383 |
| Vermont | ......... | 7,681 | ......... | 3,600 | ......... | ......... | ......... |
| Virginia | 1,787 | 31,896 | 7,232 | ......... | 7,200 | 10,200 | 3,200 |
| Washington | 19,895 | 111,536 | 10,800 | ......... | 7,200 | 10,800 | 26,736 |
| West Virginia | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Wisconsin | 39,150 | 132,043 | ......... | ......... | ......... | 3,600 | 6,800 |
| Wyoming | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Alaska | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Hawaii | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Puerto Rico | 5,920 | 5,500 | ......... | ......... | ......... | 3,600 | ......... |
| Virgin Islands | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Advances and other undistributed | ......... | ......... | ......... | ......... | ......... | ......... | ......... |
| Total | 2,611,768 | 4,224,426 | 238,836 | 100,400 | 490,820 | 396,103 | 1,533,097 |

TABLE 106.--Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES OTHER THAN DIRECT GRANTS AND LOANS—Continued

| States, Territories, etc. | Department of Health, Education, and Welfare—National Institutes of Health—Continued | | | | | | |
|---|---|---|---|---|---|---|---|
| | Teaching grants | | | | Special control grants | Fellowship awards | |
| | National Neurological Diseases and Blindness Institute (73) | National Cancer Institute (74) | National Heart Institute (75) | National Mental Health Institute (76) | National Cancer Institute (77) | National Arthritis and Metabolic Diseases Institute (78) | National Neurological Diseases and Blindness Institute (79) |
| Alabama | .......... | $30,000 | $25,000 | $15,000 | $9,817 | .......... | .......... |
| Arizona | .......... | .......... | .......... | .......... | 1,680 | .......... | .......... |
| Arkansas | .......... | 24,991 | 25,000 | 15,000 | 8,000 | .......... | .......... |
| California | .......... | 163,491 | 159,309 | 148,900 | 135,557 | $4,550 | $22,180 |
| Colorado | .......... | 25,000 | 25,000 | 49,069 | 13,882 | .......... | .......... |
| Connecticut | .......... | 25,000 | 39,894 | 82,470 | 30,838 | 3,908 | 4,250 |
| Delaware | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| District of Columbia | $24,192 | 85,000 | 93,879 | 137,068 | 30,078 | 2,500 | .......... |
| Florida | .......... | 25,000 | 25,000 | 8,000 | .......... | .......... | .......... |
| Georgia | .......... | 55,000 | 82,660 | 20,400 | 16,625 | .......... | .......... |
| Idaho | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Illinois | 41,175 | 163,831 | 177,098 | 144,891 | 137,424 | .......... | .......... |
| Indiana | .......... | 29,968 | .......... | 46,587 | 15,000 | .......... | .......... |
| Iowa | 25,013 | 45,046 | 50,000 | 33,981 | .......... | .......... | .......... |
| Kansas | 14,050 | 25,000 | 25,000 | 77,315 | 30,000 | .......... | .......... |
| Kentucky | 10,916 | 30,000 | 36,000 | 45,789 | .......... | .......... | .......... |
| Louisiana | .......... | 55,000 | 65,000 | 67,513 | .......... | .......... | 4,950 |
| Maine | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Maryland | 35,000 | 53,728 | 94,830 | 50,250 | 31,105 | 9,603 | .......... |
| Massachusetts | 16,699 | 85,000 | 134,925 | 271,826 | 66,406 | 58,373 | 29,350 |
| Michigan | 8,460 | 51,359 | 50,000 | 69,687 | 15,000 | .......... | 5,250 |
| Minnesota | 11,619 | 30,000 | 85,225 | 76,216 | .......... | 14,180 | 4,950 |
| Mississippi | .......... | 5,000 | 15,000 | 5,000 | .......... | .......... | .......... |
| Missouri | 32,400 | 138,750 | 110,790 | 98,302 | 49,280 | .......... | .......... |
| Montana | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Nebraska | .......... | 60,000 | 50,000 | 36,708 | .......... | .......... | .......... |
| Nevada | .......... | 5,000 | .......... | .......... | .......... | .......... | .......... |
| New Hampshire | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| New Jersey | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| New Mexico | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| New York | 49,760 | 238,830 | 296,136 | 312,707 | 139,579 | 30,356 | 19,882 |
| North Carolina | 14,020 | 79,844 | 106,416 | 89,206 | .......... | 3,943 | 4,250 |
| North Dakota | .......... | 5,000 | 15,000 | .......... | .......... | .......... | .......... |
| Ohio | 48,730 | 84,914 | 73,997 | 146,453 | 20,785 | 4,900 | .......... |
| Oklahoma | .......... | 25,000 | 25,000 | 15,000 | .......... | .......... | .......... |
| Oregon | 25,000 | 29,999 | 14,000 | .......... | .......... | .......... | .......... |
| Pennsylvania | 15,120 | 185,977 | 219,015 | 201,843 | 85,644 | 6,212 | 7,659 |
| Rhode Island | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| South Carolina | .......... | 25,000 | 25,000 | 5,000 | 6,426 | .......... | .......... |
| South Dakota | .......... | 5,000 | 13,200 | .......... | .......... | .......... | .......... |
| Tennessee | .......... | 85,000 | 76,292 | 92,485 | 108,508 | .......... | 4,250 |
| Texas | .......... | 84,894 | 36,070 | 34,188 | 51,990 | .......... | .......... |
| Utah | 13,000 | 25,000 | 25,000 | 35,115 | 39,073 | 7,287 | .......... |
| Vermont | 14,700 | 24,999 | 10,952 | 14,999 | 14,931 | .......... | .......... |
| Virginia | .......... | 54,744 | 48,246 | 22,662 | 2,338 | .......... | .......... |
| Washington | .......... | 30,000 | 24,948 | 66,601 | 14,800 | 9,100 | 2,219 |
| West Virginia | .......... | 5,000 | 14,958 | .......... | .......... | .......... | .......... |
| Wisconsin | .......... | 55,000 | 200,772 | .......... | .......... | 5,500 | 9,268 |
| Wyoming | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Alaska | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Hawaii | .......... | .......... | .......... | 5,416 | .......... | .......... | .......... |
| Puerto Rico | .......... | 25,000 | 11,000 | 15,000 | .......... | .......... | .......... |
| Virgin Islands | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Advances and other undistributed | .......... | .......... | .......... | .......... | .......... | .......... | .......... |
| Total | 399,854 | 2,280,365 | 2,605,612 | 2,556,647 | 1,074,764 | 160,412 | 118,458 |

TABLE 106. --Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES OTHER THAN DIRECT GRANTS AND LOANS--Continued

| States, Territories, etc. | Department of Health, Education, and Welfare--National Institutes of Health--Continued | | | | | | Department of Labor |
|---|---|---|---|---|---|---|---|
| | Fellowship awards--Continued | | | | | | |
| | National Cancer Institute (80) | National Dental Institute (81) | National Microbiological Institute (82) | National Heart Institute (83) | National Mental Health Institute (84) | Division of Research Grants (85) | Unemployment compensation for veterans (86) |
| Alabama | ......... | ......... | ......... | $3,602 | ......... | ......... | $3,139,458 |
| Arizona | ......... | ......... | ......... | ......... | ......... | ......... | 521,079 |
| Arkansas | ......... | ......... | ......... | ......... | ......... | ......... | 1,340,424 |
| California | $86,817 | ......... | $8,875 | 34,657 | $8,800 | $12,864 | 4,575,844 |
| Colorado | ......... | ......... | ......... | ......... | ......... | ......... | 660,827 |
| Connecticut | 30,209 | ......... | 10,658 | 9,150 | 18,391 | ......... | 362,927 |
| Delaware | ......... | ......... | ......... | ......... | ......... | ......... | 111,438 |
| District of Columbia | 8,963 | $9,240 | ......... | 7,150 | ......... | ......... | 552,272 |
| Florida | ......... | ......... | ......... | ......... | 3,900 | ......... | 1,105,598 |
| Georgia | ......... | ......... | ......... | 14,400 | ......... | ......... | 1,915,697 |
| Idaho | ......... | ......... | ......... | ......... | ......... | ......... | 452,574 |
| Illinois | 47,320 | 4,250 | 13,284 | 21,924 | 3,911 | 4,900 | 3,096,822 |
| Indiana | 8,707 | ......... | 6,856 | ......... | ......... | ......... | 1,901,028 |
| Iowa | 999 | ......... | ......... | 4,950 | ......... | ......... | 645,010 |
| Kansas | ......... | ......... | ......... | ......... | 13,483 | ......... | 551,475 |
| Kentucky | ......... | ......... | ......... | ......... | ......... | ......... | 3,578,527 |
| Louisiana | ......... | ......... | ......... | ......... | ......... | ......... | 1,404,548 |
| Maine | 5,250 | ......... | ......... | ......... | ......... | ......... | 800,624 |
| Maryland | 31,555 | ......... | 3,800 | 14,961 | 12,650 | ......... | 1,253,587 |
| Massachusetts | 100,982 | ......... | 9,786 | 149,549 | 13,459 | 26,343 | 1,920,188 |
| Michigan | ......... | ......... | ......... | 12,700 | 7,500 | ......... | 3,602,900 |
| Minnesota | 10,434 | 4,900 | ......... | 4,600 | 5,432 | ......... | 1,589,573 |
| Mississippi | ......... | ......... | ......... | ......... | ......... | ......... | 1,559,464 |
| Missouri | 14,934 | ......... | ......... | 22,889 | 8,450 | 3,900 | 2,126,230 |
| Montana | ......... | ......... | ......... | ......... | ......... | ......... | 292,239 |
| Nebraska | ......... | ......... | ......... | ......... | ......... | ......... | 289,433 |
| Nevada | ......... | ......... | ......... | ......... | ......... | ......... | 54,890 |
| New Hampshire | ......... | ......... | ......... | ......... | ......... | ......... | 224,331 |
| New Jersey | 9,246 | ......... | ......... | ......... | ......... | ......... | 1,246,128 |
| New Mexico | ......... | ......... | ......... | ......... | ......... | ......... | 698,703 |
| New York | 117,572 | 23,656 | 17,199 | 82,848 | 37,817 | 34,770 | 3,736,077 |
| North Carolina | 16,997 | ......... | 3,934 | 13,816 | ......... | ......... | 2,734,646 |
| North Dakota | ......... | ......... | ......... | ......... | ......... | ......... | 385,427 |
| Ohio | 23,928 | ......... | 2,562 | 33,123 | 20,650 | 5,038 | 2,756,664 |
| Oklahoma | 8,548 | ......... | 5,383 | 4,950 | ......... | 2,072 | 1,320,856 |
| Oregon | ......... | ......... | ......... | ......... | ......... | ......... | 1,309,794 |
| Pennsylvania | 30,674 | ......... | 5,525 | 38,964 | ......... | 2,580 | 3,953,679 |
| Rhode Island | ......... | ......... | ......... | ......... | 5,387 | ......... | 629,635 |
| South Carolina | ......... | ......... | ......... | ......... | ......... | ......... | 1,748,892 |
| South Dakota | ......... | ......... | ......... | ......... | ......... | ......... | 456,244 |
| Tennessee | ......... | ......... | ......... | ......... | ......... | ......... | 3,873,356 |
| Texas | 14,293 | ......... | 953 | 12,700 | ......... | ......... | 3,856,731 |
| Utah | 4,250 | ......... | 1,486 | 18,789 | ......... | ......... | 405,862 |
| Vermont | ......... | ......... | ......... | 5,250 | ......... | ......... | 143,481 |
| Virginia | 4,565 | ......... | ......... | ......... | 4,900 | ......... | 2,329,140 |
| Washington | 14,300 | ......... | ......... | 22,267 | 3,900 | ......... | 1,858,782 |
| West Virginia | ......... | ......... | ......... | ......... | ......... | ......... | 3,536,324 |
| Wisconsin | 26,597 | ......... | ......... | 13,753 | 4,320 | ......... | 1,403,806 |
| Wyoming | ......... | ......... | ......... | ......... | ......... | ......... | 98,083 |
| Alaska | ......... | ......... | ......... | ......... | ......... | ......... | 151,968 |
| Hawaii | ......... | ......... | ......... | ......... | ......... | ......... | 570,617 |
| Puerto Rico | 4,126 | ......... | ......... | ......... | 3,906 | ......... | 2,799,136 |
| Virgin Islands | ......... | ......... | ......... | ......... | ......... | ......... | 31,609 |
| Advances and other undistributed | ......... | ......... | ......... | ......... | ......... | ......... | 187,500 |
| Total | 621,266 | 42,046 | 90,301 | 551,992 | 176,856 | 92,467 | 81,852,147 |

TABLE 106.--Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1954--Continued

Part B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES OTHER THAN DIRECT GRANTS AND LOANS--Continued

| States, Territories etc. | National Science Foundation | | Veterans' Administration | | Total payments within States (Part B) | Grand total (Parts A and B) |
|---|---|---|---|---|---|---|
| | Research grants awarded | Fellowship awards | Automobiles, etc., for disabled veterans | Readjustment benefits (Public Law 346, June 22, 1944) and vocational rehabilitation (Public Law 16, March 24, 1943) | | |
| | (87) | (88) | (89) | (90) | (91) | (92) |
| Alabama | $36,200 | $10,618 | $67,200 | $21,145,498 | $34,543,418 | $101,724,549 |
| Arizona | 18,300 | 8,503 | 43,080 | 2,824,361 | 7,715,234 | 35,312,876 |
| Arkansas | ........... | 2,115 | 68,695 | 11,019,861 | 30,061,731 | 74,815,989 |
| California | 263,100 | 214,159 | 470,726 | 46,442,994 | 81,740,692 | 365,628,481 |
| Colorado | 41,700 | 21,193 | 50,995 | 7,920,190 | 21,869,943 | 70,772,160 |
| Connecticut | 101,350 | 48,860 | 62,314 | 5,462,918 | 9,541,964 | 33,238,975 |
| Delaware | 19,000 | ........... | 9,600 | 720,956 | 2,253,533 | 7,140,158 |
| District of Columbia | 85,900 | 16,963 | 54,192 | 7,630,046 | 11,605,017 | 20,504,621 |
| Florida | 42,900 | 21,193 | 115,097 | 16,926,715 | 26,201,309 | 90,964,796 |
| Georgia | 48,400 | 6,345 | 71,913 | 20,935,237 | 34,557,051 | 120,666,563 |
| Idaho | 3,500 | ........... | 20,775 | 2,467,569 | 12,685,935 | 30,914,110 |
| Illinois | 351,900 | 116,540 | 196,787 | 23,940,172 | 42,448,756 | 169,559,080 |
| Indiana | 78,500 | 50,803 | 111,870 | 12,583,844 | 25,728,051 | 74,629,393 |
| Iowa | 38,050 | 38,113 | 63,990 | 10,951,513 | 22,654,626 | 66,254,294 |
| Kansas | 24,500 | 23,265 | 35,200 | 5,936,330 | 21,091,669 | 69,560,532 |
| Kentucky | 14,100 | 6,345 | 134,390 | 9,137,470 | 23,473,061 | 87,977,120 |
| Louisiana | 40,200 | 6,345 | 89,450 | 13,701,497 | 30,668,849 | 124,584,814 |
| Maine | 23,100 | 4,230 | 30,400 | 1,542,707 | 6,752,002 | 25,701,159 |
| Maryland | 84,000 | 33,883 | 60,140 | 4,660,709 | 11,618,672 | 46,026,388 |
| Massachusetts | 292,400 | 101,950 | 155,032 | 15,331,680 | 29,322,658 | 113,004,156 |
| Michigan | 88,700 | 50,803 | 210,662 | 14,362,848 | 32,053,785 | 124,938,004 |
| Minnesota | 46,100 | 48,731 | 105,600 | 13,620,079 | 27,052,479 | 79,737,016 |
| Mississippi | 9,600 | 14,805 | 75,181 | 13,700,649 | 24,160,572 | 74,840,306 |
| Missouri | 138,000 | 55,076 | 119,615 | 17,782,721 | 46,210,309 | 164,308,537 |
| Montana | 35,000 | 8,460 | 15,995 | 2,682,716 | 12,579,823 | 32,078,044 |
| Nebraska | 34,900 | 19,078 | 33,600 | 7,539,276 | 18,424,480 | 41,408,683 |
| Nevada | ........... | 6,345 | 3,190 | 325,314 | 5,318,041 | 15,153,680 |
| New Hampshire | 11,500 | 6,345 | 33,495 | 1,356,891 | 3,914,289 | 14,210,842 |
| New Jersey | 149,250 | 67,852 | 134,288 | 8,628,539 | 17,574,603 | 65,116,871 |
| New Mexico | 12,350 | 8,460 | 16,000 | 2,929,979 | 14,965,322 | 47,162,579 |
| New York | 416,900 | 224,491 | 462,857 | 42,756,259 | 73,634,521 | 278,284,655 |
| North Carolina | 130,500 | 8,460 | 111,064 | 17,904,460 | 29,847,490 | 99,271,372 |
| North Dakota | 4,400 | 8,460 | 20,681 | 5,356,279 | 14,300,738 | 30,253,389 |
| Ohio | 173,950 | 84,815 | 228,432 | 17,838,237 | 36,441,245 | 167,441,776 |
| Oklahoma | 29,100 | 38,113 | 89,407 | 12,907,301 | 29,337,552 | 105,166,474 |
| Oregon | 38,700 | 19,035 | 41,575 | 5,325,499 | 15,324,546 | 59,424,035 |
| Pennsylvania | 279,700 | 124,914 | 334,046 | 30,634,165 | 49,063,084 | 182,431,518 |
| Rhode Island | 47,600 | 8,460 | 54,400 | 2,664,455 | 4,629,154 | 18,555,356 |
| South Carolina | 13,100 | 2,115 | 62,390 | 9,670,036 | 17,721,282 | 63,869,171 |
| South Dakota | 3,500 | 4,230 | 30,150 | 3,233,718 | 8,834,954 | 26,271,447 |
| Tennessee | 82,900 | 14,805 | 115,194 | 14,811,748 | 31,569,032 | 102,775,643 |
| Texas | 60,150 | 42,343 | 233,488 | 36,312,257 | 88,159,563 | 257,217,880 |
| Utah | 61,600 | 10,575 | 24,000 | 5,274,011 | 11,822,101 | 34,833,327 |
| Vermont | ........... | 4,230 | 17,100 | 1,221,608 | 3,680,531 | 12,459,085 |
| Virginia | 36,100 | 12,690 | 71,757 | 9,136,863 | 19,458,296 | 76,616,338 |
| Washington | 107,200 | 27,538 | 84,765 | 8,707,119 | 19,694,886 | 88,444,781 |
| West Virginia | ........... | ........... | 57,600 | 3,938,580 | 11,237,401 | 48,700,278 |
| Wisconsin | 208,720 | 67,938 | 92,800 | 11,374,498 | 23,255,196 | 80,686,028 |
| Wyoming | ........... | 4,273 | 8,000 | 1,440,989 | 7,851,215 | 25,259,193 |
| Alaska | 20,000 | ........... | 3,094 | 109,558 | 4,782,768 | 11,232,846 |
| Hawaii | 32,000 | 2,115 | 25,600 | 1,626,356 | 15,479,481 | 29,038,862 |
| Puerto Rico | 6,600 | ........... | 126,400 | 9,325,663 | 33,775,186 | 55,018,868 |
| Virgin Islands | ........... | ........... | ........... | ........... | 210,364 | 793,061 |
| Advances and other undistributed | ........... | ........... | 8,965 | 24,569,966 | 40,492,637 | 42,400,358 |
| Total | [19] 3,885,221 | 1,726,978 | 4,963,237 | 600,350,904 | 1,279,391,094 | 4,284,380,522 |

[19] On obligation basis.

## GOVERNMENT LOSSES IN SHIPMENT

TABLE 107. --Government losses in shipment revolving fund

[Established July 8, 1937, under authority of the Government Losses in Shipment Act, as amended, 5 U.S.C. 134-134h]

SECTION I - STATUS OF FUND AS OF JUNE 30, 1954

| Transactions | Cumulative through June 30, 1953 | Fiscal year 1954 | Cumulative through June 30, 1954 |
|---|---|---|---|
| Receipts: | | | |
| Appropriation | $802,000.00 | .............. | $802,000.00 |
| Transferred (Sept. 21, 1939) from securities trust fund. | 91,803.13 | .............. | 91,803.13 |
| Recoveries of payments for losses | 447,523.37 | $8,633.47 | 456,156.84 |
| Repayments to the fund | 3,924.32 | .............. | 3,924.32 |
| Total receipts | 1,345,250.82 | 8,633.47 | 1,353,884.29 |
| Expenditures: | | | |
| Payments for losses | 1,095,539.02 | 32,513.70 | 1,128,052.72 |
| Other payments (refunds, etc.) | 92.57 | .............. | 92.57 |
| Total expenditures | 1,095,631.59 | 32,513.70 | 1,128,145.29 |
| Balance in fund | 249,619.23 | -23,880.23 | 225,739.00 |
| Total | 1,345,250.82 | 8,633.47 | 1,353,884.29 |

SECTION II - VALUE OF SHIPMENTS MADE, FISCAL YEARS 1938-1954

[In millions of dollars]

| Fiscal year | Total shipments | Classification[1] | | | |
|---|---|---|---|---|---|
| | | No. 1 (currency, coin, bullion specie, etc.) | No. 2 (negotiable securities) | No. 3 (canceled coupons) | No. 4 (all other) |
| 1938-52 | $4,500,097 | $78,928 | $1,770,894 | $31,383 | $2,618,891 |
| 1953 | 495,216 | 3,880 | 178,799 | 3,109 | 309,427 |
| 1954 | 561,235 | 3,604 | 222,129 | 3,376 | 332,127 |
| Total | 5,556,547 | 86,412 | 2,171,821 | 37,868 | 3,260,446 |

SECTION III - ESTIMATED SAVINGS OF INSURANCE PREMIUMS, FISCAL YEARS 1938-1954

| Fiscal year during which shipments were made | Estimated insurance premium savings, calculated on basis of premium rates in effect for-- | | |
|---|---|---|---|
| | 1938[2] | 1937[3] | 1936-38[4] (average) |
| 1938-52 | $39,731,000 | $49,768,000 | $47,862,000 |
| 1953 | 3,883,000 | 4,844,000 | 4,662,000 |
| 1954 | 4,791,000 | 5,977,000 | 5,752,000 |
| Total | 48,405,000 | 60,589,000 | 58,276,000 |

SECTION IV - AGREEMENTS OF INDEMNITY ISSUED BY THE TREASURY DEPARTMENT THROUGH JUNE 30, 1954[5]

| Agreements of indemnity | Number | Amount |
|---|---|---|
| Issued through June 30, 1953 | 289 | $2,520,539.03 |
| Issued during the fiscal year 1954 | 14 | 13,332.14 |
| Total issued | 303 | 2,533,871.17 |
| Canceled through June 30, 1954 | 28 | 1,027,685.47 |
| In force as of June 30, 1954 | 275 | 1,506,185.70 |

Footnotes at end of table.

TABLE 107.--Government losses in shipment revolving fund--Continued

SECTION V - CLAIMS MADE AND SETTLED THROUGH JUNE 30, 1954

| Claims | Number | Amount |
|---|---|---|
| Claims made through June 30, 1953 | 4,949 | $3,379,646.68 |
| Made during the fiscal year 1954: | | |
| Processed by the Deposits Branch, Bureau of Accounts | 103 | 62,606.61 |
| Processed by the Bureau of the Public Debt | 105 | 30,360.61 |
| Total claims made through June 30, 1954 | 5,157 | 3,472,613.90 |
| Settled through June 30, 1953 | 4,888 | 3,356,396.94 |
| Settled during the fiscal year 1954: | | |
| Processed by the Deposits Branch, Bureau of Accounts: | | |
| Approved for payment out of the fund | 68 | 3,347.70 |
| Settled by credit in appropriate accounts | 50 | 67,409.03 |
| Settled without payment or credit | 21 | 2,063.98 |
| Losses of paid armed forces leave bonds and paid United States savings bonds, not lost in shipment, settled outside the provisions of the Government Losses in Shipment Act, as amended, through the Bureau of the Public Debt by reducing the outstanding public debt liability and crediting the appropriate accounts | 2 | 3,432.50 |
| Processed by the Bureau of the Public Debt: | | |
| Approved for payment out of the fund: | | |
| United States savings bond redemption cases | 84 | 23,324.55 |
| Armed forces leave bond redemption cases | 30 | 5,841.45 |
| Total claims settled through June 30, 1954 | 5,143 | 3,461,816.15 |
| Unadjusted as of June 30, 1954[6] | 14 | 10,797.75 |
| Total | 5,157 | 3,472,613.90 |

[1] Classifications Nos. 1,2, and 3 include classes of valuables which were covered by the Treasury's insurance contracts with private companies prior to enactment of the Government Losses in Shipment Act. The classes of valuables included in Classification No. 4 were not, as a general practice, insured by the Government prior to the effective date of the act.

[2] Year of lowest rates under insurance contract system.

[3] Year when estimates of insurance premium savings were presented to Congress.

[4] Last three years of Government insurance contract system.

[5] The Government has not sustained any actual monetary loss in connection with its liability under these agreements of indemnity.

[6] Includes claims in process of adjustment by the Bureau of the Public Debt.

## INTERNATIONAL CLAIMS

TABLE 108. --Mexican claims fund, status as of June 30, 1954

| | Amount |
|---|---|
| Status of the fund: | |
| Credits: | |
| Payments received from Government of Mexico under the agreement of Nov. 19, 1941: | |
| Under the agrarian claims agreement of 1938 | $3,000,000.00 |
| On exchange of ratifications of the agreement | 3,000,000.00 |
| Annual installments due from Government of Mexico through November 1953 | 30,000,000.00 |
| Appropriation by Government of the United States on account of awards and appraisals made on behalf of Mexican nationals | 533,658.95 |
| Total credits | 36,533,658.95 |
| Debits: Amounts paid by fiscal years to American nationals: | |
| 1943 | 637,036.24 |
| 1944 | 6,333,636.13 |
| 1945 | 1,443,226.94 |
| 1946 | 4,993,915.36 |
| 1947 | 3,076,040.35 |
| 1948 | 4,354,144.31 |
| 1949 | 2,821,873.65 |
| 1950 | 2,586,320.53 |
| 1951 | 2,628,951.89 |
| 1952 | 2,425,573.61 |
| 1953 | 2,518,796.66 |
| 1954 | 2,482,539.56 |
| Total debits | 36,302,055.23 |
| Undisbursed balance June 30, 1954 | 231,603.72 |
| Claims certified for payment: | |
| By the Secretary of State: | |
| Decisions rendered by the General Claims Commission | 201,461.08 |
| Appraisal agreed upon by the commissioners designated by the Governments of the United States and Mexico, pursuant to the general claims protocol between the United States and Mexico, signed Apr. 24, 1934 | 2,599,166.10 |
| Subtotal | 2,800,627.18 |
| By the American-Mexican Claims Commission: | |
| Decisions under the provisions of Secs. 4 (b), 4 (c), and 5 (d) of the Settlement of Mexican Claims Act of 1942 (22 U.S.C. 664-669) | 37,948,200.05 |
| Total claims certified | 40,748,827.23 |

TABLE 109.--Awards of the Mixed Claims Commission, United States and Germany, certified to the Secretary of the Treasury by the Secretary of State, through June 30, 1954

| | Total number of awards | Total amount | Class I | | Class II | | Class III[1] | | Private Law No. 509 approved July 19, 1940 | | United States Government | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Number of awards | Awards on account of death and personal injury | Number of awards | Awards of $100,000 and less | Number of awards | Awards over $100,000 | Number of awards | Amount | Number of awards | Amount |
| 1. Amount due on account- | | | | | | | | | | | | |
| Principal of awards: | | | | | | | | | | | | |
| Agreement of August 10, 1922 | 4734 | $175,955,880.92 | 424 | $3,549,437.75 | 3996 | $15,562,321.98 | 310 | $114,809,326.78 | ...... | ............. | 4 | $42,034,794.41 |
| Agreement of December 31, 1928 | 2291 | 5,582,354.38 | 115 | 556,625.00 | 2169 | 2,447,803.92 | 7 | 2,577,925.46 | ...... | ............. | ...... | ............. |
| Private Law No. 509 | 1 | 160,000.00 | ...... | ............. | ...... | ............. | ...... | ............. | 1 | $160,000.00 | ...... | ............. |
| | ...... | 181,698,235.30 | ...... | 4,106,062.75 | ...... | 18,010,125.90 | ...... | 117,387,252.24 | ...... | 160,000.00 | ...... | 42,034,794.41 |
| Less amounts paid by Alien Property Custodian and others | ...... | -187,226.85 | ...... | ............. | ...... | -48,012.50 | ...... | -139,214.35 | ...... | ............. | ...... | ............. |
| | ...... | 181,511,008.45 | ...... | 4,106,062.75 | ...... | 17,962,113.40 | ...... | 117,248,037.89 | ...... | 160,000.00 | ...... | 42,034,794.41 |
| Interest to January 1, 1928, at rates specified in awards: | | | | | | | | | | | | |
| Agreement of August 10, 1922 | ...... | 78,751,456.32 | ...... | 745,302.98 | ...... | 7,113,930.76 | ...... | 51,682,897.36 | ...... | ............. | ...... | 19,209,325.22 |
| Agreement of December 31, 1928 | ...... | 2,649,630.04 | ...... | 115,976.22 | ...... | 971,159.15 | ...... | 1,562,494.67 | ...... | ............. | ...... | ............. |
| Private Law No. 509 | ...... | 64,000.00 | ...... | ............. | ...... | ............. | ...... | ............. | ...... | 64,000.00 | ...... | ............. |
| Total payable to January 1, 1928 | ...... | 262,976,094.81 | ...... | 4,967,341.95 | ...... | 26,047,203.31 | ...... | 170,493,429.92 | ...... | 224,000.00 | ...... | 61,244,119.63 |
| Interest thereon to date of payment or, if unpaid, to June 30, 1954, at 5 percent per annum, as specified in the Settlement of War Claims Act of 1928 | ...... | 159,386,994.56 | ...... | 236,195.75 | ...... | 2,061,598.87 | ...... | 75,777,148.23 | ...... | 176,177.62 | ...... | 81,135,874.09 |
| Total due claimants | 7026 | 422,363,089.37 | 539 | 5,203,537.70 | 6165 | 28,108,802.18 | 317 | 246,270,578.15 | 1 | 400,177.62 | 4 | 142,379,993.72 |
| 2. Payments made on account through June 30, 1954- | | | | | | | | | | | | |
| Principal of awards: | | | | | | | | | | | | |
| Agreement of August 10, 1922 | 4717 | 146,101,192.25 | 424 | 3,549,437.75 | 3983 | 15,497,158.79 | 310 | [2] 127,054,595.71 | ...... | ............. | ...... | ............. |
| Agreement of December 31, 1928 | 2271 | 6,142,794.02 | 115 | 556,625.00 | 2149 | 2,445,886.69 | 7 | [2] 3,140,282.33 | ...... | ............. | ...... | ............. |
| Private Law No. 509 | 1 | 165,053.06 | ...... | ............. | ...... | ............. | ...... | ............. | 1 | [3] 165,053.06 | ...... | ............. |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Interest to January 1, 1928, at rates specified in awards: | | | | | | | | | | | | |
| Agreement of August 10, 1922 | ...... | $7,852,463.96 | ...... | $745,302.98 | ...... | $7,107,160.98 | ...... | ...... | ...... | ...... | ...... | ...... |
| Agreement of December 31, 1928 | ...... | 1,086,361.01 | ...... | 115,976.22 | ...... | 970,384.79 | ...... | ...... | ...... | ...... | ...... | ...... |
| Private Law No. 509 | ...... | ...... | ...... | ...... | ...... | ...... | ...... | ...... | ...... | ...... | ...... | ...... |
| Interest at 5 percent from January 1, 1928 to date of payment, as directed by the Settlement of War Claims Act of 1928 | ...... | 17,676,332.90 | ...... | 236,195.75 | ...... | 2,045,380.09 | ...... | [4] 15,363,130.14 | ...... | [4] 31,626.92 | ...... | ...... |
| Total payment through June 30, 1954 | ...... | 179,024,197.20 | ...... | 5,203,537.70 | ...... | 28,065,971.34 | ...... | 145,558,008.18 | ...... | 196,679.98 | ...... | ...... |
| Less 1/2 of 1 percent deduction from each payment: | | | | | | | | | | | | |
| Agreement of August 10, 1922 | ...... | [5] -852,435.82 | ...... | -22,249.66 | ...... | -121,173.14 | ...... | -709,013.02 | ...... | ...... | ...... | ...... |
| Agreement of December 31, 1928 | ...... | [6] -41,702.22 | ...... | -3,767.97 | ...... | -19,156.68 | ...... | -18,777.57 | ...... | ...... | ...... | ...... |
| Private Law No. 509 | ...... | [5] -983.40 | ...... | ...... | ...... | ...... | ...... | ...... | ...... | -983.40 | ...... | ...... |
| Net payments made to claimants through June 30, 1954 | 6989 | 178,129,075.76 | 539 | 5,177,520.07 | 6132 | 27,925,641.52 | 317 | 144,830,217.59 | 1 | 195,696.58 | ...... | ...... |
| 3. Balance due on account-Principal of awards: | | | | | | | | | | | | |
| Agreement of August 10, 1922 | 327 | 100,559,684.40 | ...... | ...... | 13 | 17,150.69 | 310 | 39,298,414.08 | ...... | ...... | 4 | 61,244,119.63 |
| Agreement of December 31, 1928 | 27 | 1,002,055.03 | ...... | ...... | 20 | 1,917.23 | 7 | 1,000,137.80 | ...... | ...... | ...... | ...... |
| Private Law No. 509 | 1 | 58,946.94 | ...... | ...... | ...... | ...... | ...... | ...... | 1 | 58,946.94 | ...... | ...... |
| Interest to January 1, 1928, at rates specified in awards: | | | | | | | | | | | | |
| Agreement of August 10, 1922 | ...... | 6,769.78 | ...... | ...... | ...... | 6,769.78 | ...... | ...... | ...... | ...... | ...... | ...... |
| Agreement of December 31, 1928 | ...... | 774.36 | ...... | ...... | ...... | 774.36 | ...... | ...... | ...... | ...... | ...... | ...... |
| Accrued interest at 5 percent per annum from January 1, 1928, on total amount payable as of January 1, 1928, through June 30, 1954 | ...... | 141,710,661.66 | ...... | ...... | ...... | [7] 16,218.78 | ...... | 60,414,018.09 | ...... | 144,550.70 | ...... | 81,135,874.09 |
| Balance due claimants through June 30, 1954 | 355 | 243,338,892.17 | ...... | ...... | 33 | 42,830.84 | 317 | 100,712,569.97 | 1 | 203,497.64 | 4 | 142,379,993.72 |

[1] On February 27, 1953, the Federal Republic of Germany agreed to pay $97,500,000.00 (U. S. dollars) in full settlement of Germany's obligations on account of Class III awards and Private Law 509.

[2] Includes payments on account of interest to January 1, 1928. Payments on this class of awards are first applied on account of the total amount payable as of January 1, 1928, as directed by the Settlement of War Claims Act of 1928 until total of all payments on the 3 classes equals 80 percent of the amount payable January 1, 1928. Payment of accrued interest since January 1, 1928, on this class of claims deferred in accordance with the act.

[3] Includes payment on account of interest to January 1, 1928.

[4] Payments made in accordance with Public Law 375, approved August 6, 1947.

[5] Represents deductions from payments under the agreement of August 10, 1922.

[6] Of this amount, $24,150.09 has been paid to the Government of Germany. A further sum of $17,552.13 is payable in connection with the adjudication of late claims under the agreement of December 31, 1928.

[7] Interest accrued from January 1, 1928, to March 11, 1940, on $26,612.06, representing awards plus interest to January 1, 1928. No applications filed by claimants. Time for filing applications expired March 11, 1940.

## GOLD AND CURRENCY TRANSACTIONS AND FOREIGN GOLD AND DOLLAR HOLDINGS

TABLE 110.--United States net gold transactions with foreign countries, fiscal years 1951-54

[In millions of dollars at $35 per ounce. Negative figures represent net sales by the United States; positive figures, net purchases]

| Country | 1954 | 1953 | 1952 | 1951 |
|---|---|---|---|---|
| Afghanistan | .......... | .......... | -2.5 | .......... |
| Argentina | -10.0 | -94.8 | .......... | -49.9 |
| Belgium | -45.0 | -63.9 | 20.2 | -10.3 |
| Belgian Congo | -9.9 | -2.0 | .......... | -11.0 |
| Bolivia | 15.3 | .......... | .......... | .......... |
| Canada | .......... | .3 | 6.9 | -110.0 |
| Chile | .......... | .......... | 2.0 | -5.0 |
| China | .......... | .......... | .......... | -4.2 |
| Colombia | .......... | -3.5 | -19.2 | 14.0 |
| Cuba | .......... | .......... | -20.0 | 28.2 |
| Denmark | .......... | -20.2 | -4.2 | -15.5 |
| Dominican Republic | .......... | .......... | -4.0 | -4.0 |
| Ecuador | .......... | .......... | .......... | -3.5 |
| Egypt | .......... | .......... | -31.0 | -59.8 |
| Finland | .......... | .......... | -4.8 | .......... |
| France | .......... | .......... | 71.6 | -176.5 |
| Germany | -145.6 | -50.0 | .......... | .......... |
| Greece | .......... | .......... | -16.4 | -18.5 |
| Indonesia | .......... | .......... | -25.0 | -50.0 |
| Lebanon | -11.2 | -2.8 | -6.7 | -1.1 |
| Mexico | 80.3 | -53.1 | 112.7 | -162.7 |
| Netherlands | -40.0 | -125.0 | .......... | -84.3 |
| Norway | .......... | -5.0 | .......... | .......... |
| Peru | .......... | .......... | .......... | -18.0 |
| Poland | .......... | .......... | .......... | 9.3 |
| Portugal | -54.9 | -34.9 | -10.0 | -40.0 |
| Salvador | .......... | .......... | -4.0 | -6.0 |
| Saudi Arabia | .......... | .......... | .......... | -4.1 |
| South Africa | .......... | .......... | 51.0 | 12.7 |
| Sweden | -10.0 | -10.0 | -17.0 | -35.0 |
| Switzerland | -20.0 | -45.0 | 22.5 | -40.0 |
| Switzerland-Bank for International Settlements | -71.0 | -34.5 | 5.8 | -73.9 |
| Syria | -.5 | -1.0 | -3.3 | -5.6 |
| Turkey | .......... | -1.2 | .......... | .......... |
| United Kingdom | -170.0 | -440.0 | 1,469.9 | -1,420.0 |
| Uruguay | -5.0 | -10.2 | 68.0 | -86.7 |
| Vatican City | 9.5 | .......... | 5.0 | -2.5 |
| Venezuela | -30.0 | .......... | .......... | -.9 |
| All other | -1.5 | .......... | 2.6 | 9.2 |
| Total | -519.5 | -996.6 | 1,670.1 | -2,425.2 |

TABLE 111.--Estimated gold and short-term dollar resources of foreign countries,[1] as of June 30, 1953 and 1954

[In millions of dollars]

| Area and country | June 30, 1954 | | | June 30, 1953 |
|---|---|---|---|---|
| | Total gold and dollars | Gold[2] | Short-term dollar balances[3] | Total gold and dollars |
| Western Europe: | | | | |
| Austria | 289 | 51 | 238 | 166 |
| Belgium, Luxembourg, and Belgian Congo | 1,056 | 876 | 180 | 1,044 |
| Denmark | 124 | 31 | 93 | 102 |
| Finland | 73 | 31 | 42 | 60 |
| France and dependencies | 1,091 | 596 | 495 | 926 |
| Germany (Western) | 1,503 | 418 | 1,085 | 893 |
| Greece | 125 | 11 | 114 | 82 |
| Italy | 802 | 346 | 456 | 660 |
| Netherlands, N.W.I., and Surinam | 1,122 | 798 | 324 | 953 |
| Norway | 178 | 47 | 131 | 164 |
| Portugal and dependencies | 516 | 419 | 97 | 412 |
| Spain and dependencies | 142 | 116 | 26 | 134 |
| Sweden | 342 | 219 | 123 | 280 |
| Switzerland | 2,105 | 1,469 | 636 | 2,091 |
| Trieste | 2 | ........... | 2 | 4 |
| Turkey | 151 | 144 | 7 | 152 |
| Other[4] | 994 | 585 | 409 | 784 |
| Total Western Europe (excluding sterling area) | 10,615 | 6,157 | 4,458 | 8,907 |
| Eastern Europe | 309 | 290 | 19 | 306 |
| Total, Europe (excluding sterling area) | 10,924 | 6,447 | 4,477 | 9,213 |
| Sterling area countries in Western Europe: | | | | |
| Iceland | 9 | 1 | 8 | 5 |
| Ireland | 31 | 17 | 14 | 30 |
| United Kingdom | 3,536 | 2,550 | 986 | 2,886 |
| United Kingdom dependencies | 105 | ........... | 105 | 109 |
| Sterling area countries in Western Europe | 3,681 | 2,568 | 1,113 | 3,030 |
| Other sterling area countries: | | | | |
| India | 338 | 247 | 91 | 334 |
| Iraq | 14 | (5) | 14 | 14 |
| New Zealand | 35 | 33 | 2 | 36 |
| Pakistan | 48 | 38 | 10 | 52 |
| Union of South Africa | 225 | 187 | 38 | 212 |
| Other | 239 | 148 | 91 | 232 |
| Other sterling area countries | 899 | 653 | 246 | 880 |
| Total, sterling area | 4,580 | 3,221 | 1,359 | 3,910 |
| Canada | 2,463 | 1,042 | 1,421 | 2,238 |
| Africa: | | | | |
| Egypt and Anglo-Egyptian Sudan | 226 | 174 | 52 | 229 |
| Ethiopia | 12 | 4 | 8 | 7 |
| Tangier | 36 | ........... | 36 | 27 |
| Other Africa | 13 | (5) | 13 | 11 |
| Total, Africa[6] | 287 | 178 | 109 | 274 |
| Asia: | | | | |
| Afghanistan | 45 | 42 | 3 | 46 |
| Indonesia | 140 | 81 | 59 | 246 |
| Iran | 171 | 137 | 34 | 155 |
| Israel | 29 | ........... | 29 | 16 |
| Japan | 746 | 131 | 615 | 1,022 |
| Lebanon | 70 | 46 | 24 | 53 |
| Philippine Republic | 308 | 9 | 299 | 316 |
| Saudi Arabia | 19 | (5) | 19 | 16 |
| Syria | 36 | 15 | 21 | 26 |
| Thailand (Siam) | 243 | 113 | 130 | 311 |
| Other Asia and unidentified | 245 | 43 | 202 | 206 |
| Total, Asia[6] | 2,052 | 617 | 1,435 | 2,413 |

Footnotes at end of table.

TABLE 111.--Estimated gold and short-term dollar resources of foreign countries,[1] as of June 30, 1953 and 1954--Continued

[In millions of dollars]

| Area and country | June 30, 1954 | | | June 30, 1953 |
|---|---|---|---|---|
| | Total gold and dollars | Gold[2] | Short-term dollar balances[3] | Total gold and dollars |
| Latin America: | | | | |
| Argentina | 550 | 373 | 177 | 519 |
| Bolivia | 37 | 6 | 31 | 47 |
| Brazil | 417 | 321 | 96 | 451 |
| Chile | 103 | 42 | 61 | 129 |
| Colombia | 317 | 86 | 231 | 197 |
| Costa Rica | 15 | 2 | 13 | 14 |
| Cuba | 532 | 186 | 346 | 579 |
| Dominican Republic | 68 | 12 | 56 | 59 |
| Ecuador | 41 | 23 | 18 | 47 |
| El Salvador | 74 | 29 | 45 | 74 |
| Guatemala | 75 | 27 | 48 | 72 |
| Haiti | 11 | 2 | 9 | 15 |
| Honduras | 19 | (*) | 19 | 15 |
| Mexico | 258 | 57 | 201 | 339 |
| Nicaragua | 19 | 3 | 16 | 16 |
| Panama | 87 | (*) | 87 | 97 |
| Peru | 103 | 36 | 67 | 109 |
| Uruguay | 335 | 227 | 108 | 311 |
| Venezuela | 621 | 403 | 218 | 530 |
| Other Latin America and unidentified | 41 | (*) | 41 | 52 |
| Total, Latin America[6] | 3,723 | 1,835 | 1,888 | 3,672 |
| Unidentified, all areas | 6 | ........... | 6 | 16 |
| Total, all areas | 24,035 | 13,340 | 10,695 | 21,736 |

* Less than $500,000.

[1] Excludes gold and short-term dollar holdings of the International Bank and International Monetary Fund and gold holdings of the U.S.S.R.

[2] Official gold holdings. For countries whose current holdings have not been published, available estimates have been used, or the figures previously published or estimated have been carried forward.

[3] Includes reported holdings of United States Government securities maturing within 20 months after date of purchase.

[4] Includes gold and dollar holdings of the Bank for International Settlements, the European Payments Union, the Tripartite Commission for the Restitution of Monetary Gold, other Western European countries, and unpublished gold reserves of certain Western European countries.

[5] No estimate made.

[6] Excludes sterling area countries and dependencies of European countries.

TABLE 112.--Assets and liabilities of the exchange stabilization fund, June 30, 1953 and 1954

| Assets and liabilities | June 30, 1953 | | June 30, 1954 | |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash: | | | | |
| Treasurer of the United States, checking account | $207,364,834.89 | | $6,413,149.90 | |
| Federal Reserve Bank of New York, special account | 27,846,530.97 | | 182,814,204.05 | |
| Disbursing officers' balances and advance accounts | 3,965.01 | | 2,261.65 | |
| Total cash | | $235,215,330.87 | | $189,229,615.60 |
| Special account of Secretary of the Treasury with Federal Reserve Bank of New York--Gold (schedule 1) | | 57,971,871.12 | | 100,019,518.96 |
| Due from foreign banks (foreign exchange): | | | | |
| Indian rupees | | 61,978.74 | | ............... |
| United States Government securities (schedule 2) | | 20,000,000.00 | | 25,000,000.00 |
| Accrued interest receivable (schedule 2) | | 82,936.11 | | 103,045.69 |
| Accounts receivable | | 40.68 | | 7,680.23 |
| Total assets | | 313,332,157.52 | | 314,359,860.48 |
| LIABILITIES AND CAPITAL | | | | |
| Liabilities: | | | | |
| Vouchers payable | 11,755.33 | | 8,630.04 | |
| Employees' payroll allotment account, United States savings bonds | 1,151.33 | | 2,074.65 | |
| Accounts payable | 123,497.98 | | 134,209.49 | |
| Total liabilities | | 136,404.64 | | 144,914.18 |
| Capital: | | | | |
| Capital accounts | 200,000,000.00 | | 200,000,000.00 | |
| Excess of earnings over administrative expenses (schedule 3) | 112,739,694.12 | | 114,214,946.30 | |
| Reserve for expenses and contingencies (net) | 456,058.76 | | .............. | |
| Total capital | | 313,195,752.88 | | 314,214,946.30 |
| Total liabilities and capital | | 313,332,157.52 | | 314,359,860.48 |

TABLE 112.--Assets and liabilities of the exchange stabilization fund, June 30, 1953 and 1954--Continued

SCHEDULE 1. SPECIAL ACCOUNT OF THE SECRETARY OF THE TREASURY IN THE FEDERAL RESERVE BANK OF NEW YORK

| Location of gold | June 30, 1953 | | June 30, 1954 | |
|---|---|---|---|---|
| | Ounces | Dollars | Ounces | Dollars |
| Federal Reserve Bank of New York | 1,233,831.179 | 43,184,091.24 | 1,634,897.153 | 57,221,400.34 |
| U. S. Assay Office, New York | 422,507.972 | 14,787,779.88 | 1,222,803.363 | 42,798,118.62 |
| Total gold | 1,656,339.151 | 57,971,871.12 | 2,857,700.516 | 100,019,518.96 |

SCHEDULE 2. UNITED STATES GOVERNMENT SECURITIES

| Issue | June 30, 1954 | | | |
|---|---|---|---|---|
| | Face value | Cost | Average price | Accrued interest |
| 2 1/2% U. S. Treasury bonds of 1964-69 | $2,600,000 | $2,599,500.00 | 99.98077 | $2,663.93 |
| 2 1/2% U. S. Treasury bonds of 1965-70 | 10,000,000 | 10,000,000.00 | 100.00000 | 72,690.21 |
| 2 1/2% U. S. Treasury bonds of 1966-70 | 2,400,000 | 2,398,843.75 | 99.95182 | 17,445.65 |
| 2 1/2% U. S. Treasury bonds of 1967-72 | 10,000,000 | 10,000,000.00 | 100.00000 | 10,254.90 |
| Total U. S. Government securities | 25,000,000 | 24,998,343.75 | .............. | 103,045.69 |

SCHEDULE 3. INCOME AND EXPENSE

| Source | Jan. 31, 1934, through June 30, 1953 | Jan. 31, 1934, through June 30, 1954 |
|---|---|---|
| Earnings: | | |
| Profits on British sterling transactions | $310,638.09 | $310,638.09 |
| Profits on French franc transactions | 351,527.60 | 351,527.60 |
| Profits on gold bullion (including profits from handling charges on gold) | 56,452,114.97 | 58,276,417.51 |
| Profits on gold and exchange transactions | 49,164,525.40 | 49,629,045.26 |
| Profits on silver transactions | 102,735.27 | 102,735.27 |
| Profits on sale of silver bullion to Treasury | 3,473,362.29 | 3,473,362.29 |
| Profits on investments | 1,876,790.55 | 1,876,790.55 |
| Interest on investments | 8,698,066.89 | 9,238,299.65 |
| Miscellaneous profits | 861,546.95 | 861,546.95 |
| Interest earned on foreign balances | 2,849,683.19 | 2,999,126.68 |
| Interest earned on Chinese yuan | 1,975,317.07 | 1,975,317.07 |
| Total earnings | 126,116,308.27 | 129,094,806.92 |
| Expenses: | | |
| Personal services | 10,093,183.99 | 11,383,868.30 |
| Travel | 500,940.85 | 553,585.51 |
| Transportation of things | 686,263.87 | 713,463.80 |
| Communications | 575,885.04 | 593,059.36 |
| Supplies and materials | 107,177.20 | 113,196.88 |
| Other | 1,413,163.20 | 1,522,686.77 |
| Total administrative expenses | 13,376.614.15 | 14,879,860.62 |
| Net income | 112,739,694.12 | 114,214,946.30 |

TABLE 113.--Foreign currency balances in the accounts of the United States Treasury Department, representing currencies acquired by the United States Government without purchase with dollars as of June 30, 1954

| Country | Currency | Balance as of June 30, 1954 | |
|---|---|---|---|
| | | Units of foreign currency | Dollars |
| GROUP I--GENERAL FUNDS[1] | | | |
| Austria | Schilling | 215,288,077.51 | $8,280,272.21 |
| Belgium | Franc | 36,694,699.30 | 736,416.79 |
| Brazil | Cruzeiro | 17,463,807.40 | 304,838.47 |
| Burma | Kyat | 323,714.54 | 68,912.13 |
| Ceylon | Rupee | 1,113,759.65 | 235,560.17 |
| Chile | Peso | 2,343,307.00 | 7,322.81 |
| China | N.T. Dollar | 10,903,341.20 | 701,179.49 |
| Columbia | Peso | 48,123.39 | 19,249.36 |
| Denmark | Kroner | 34,325,049.63 | 4,980,564.70 |
| Dominican Republic | R. D. Dollar | 38,078.00 | 38,078.00 |
| Ecuador | Sucre | 70,871.60 | 4,073.08 |
| Egypt | Pound | 107,775.39 | 310,432.66 |
| Ethiopia | Eth. Dollar | 79,060.00 | 31,879.03 |
| France | Franc | 1,822,398,215.00 | 5,240,665.54 |
| Germany | West D. Mark | 76,964,329.35 | 18,324,822.00 |
| Germany | East D. Mark | 32,042.69 | 1,387.13 |
| Greece | Drachma | 356,686,588.06 | 11,889,552.88 |
| Hungary | Forint | 1,931,544.33 | 40,240.44 |
| Iceland | Kroner | 15,758,231.72 | 967,355.30 |
| Indonesia | Rupiah | 2,079,080.43 | 184,465.80 |
| Iran | Rial | 8,707,936.10 | 108,849.20 |
| Iraq | Dinar | 156,973.20 | 444,234.17 |
| Ireland | Pound | 132,650.26 | 373,907.91 |
| Israel | Pound | 14,482.56 | 8,066.03 |
| Italy | Lira | 2,545,122,133.00 | 4,072,195.41 |
| Japan | Yen | 7,293,391,634.60 | 20,259,421.21 |
| Jordan | Dinar | 39,500.00 | 111,390.00 |
| Korea | Hwan | 94,512,806.80 | 525,071.15 |
| Lebanon | Pound | 1,352.30 | 420.62 |
| Mexico | Peso | 4,516,724.65 | 361,789.64 |
| Netherlands | Guilder | 34,185,008.34 | 9,036,806.95 |
| Nicaraugua | Cordoba | 1,090,972.26 | 155,853.03 |
| Norway | Kroner | 8,120,703.30 | 1,138,522.61 |
| Pakistan | Rupee | 3,194,076.28 | 968,204.92 |
| Peru | Sol | 496,599.12 | 24,892.18 |
| Poland | Zloty | 100,000.00 | 4,000.00 |
| Portugal | Escudo | 995,157.21 | 34,830.50 |
| South Africa | Pound | 8,892.79 | 25,633.47 |
| Spain | Peseta | 32,392,457.26 | 753,312.51 |
| Sweden | Kroner | 2,191,876.05 | 423,959.24 |
| Switzerland | Franc | 178,641.72 | 41,686.05 |
| Thailand | Baht | 5,841,467.47 | 267,956.88 |
| Trieste | Lira | 15,240,000.00 | 24,384.00 |
| Turkey | Lira | 2,259,670.21 | 807,023.14 |
| United Kingdom | Pound | 578,243.47 | 1,629,923.77 |
| Vietnam | Piastre | 45,933,793.17 | 1,026,628.47 |
| Yugoslavia | Dinar | 4,479,448,957.00 | 14,931,481.59 |
| Total Group I | .................. | ................ | 109,927,712.64 |
| GROUP II--AGENCY FUNDS[2] | | | |
| Austria | Schilling | 14,670.00 | 564.23 |
| France | Franc | 61,568,191.00 | 175,908.94 |
| Germany | West D. Mark | 9,281,424.73 | 2,209,860.82 |
| Israel | Pound | 3,018,918.05 | 1,681,380.37 |
| Netherlands | Guilder | 396,841.91 | 104,905.16 |
| Norway | Kroner | 8,689.84 | 1,218.32 |
| Spain | Peseta | 804,170,656.69 | 18,701,631.96 |
| Yugoslavia | Dinar | 192,914,598.00 | 643,048.66 |
| Total Group II | .................. | ................ | 23,518,518.46 |

Footnotes at end of table.

TABLE 113.--Foreign currency balances in the accounts of the United States Treasury Department, representing currencies acquired by the United States Government without purchase with dollars as of June 30, 1954--Continued

| Country | Currency | Balance as of June 30, 1954 | |
|---|---|---|---|
| | | Units of foreign currency | Dollars |
| GROUP III--TRUST FUNDS | | | |
| Germany | West D. Mark | 128,690,956.98 | $30,640,704.04 |
| Greece | Drachma | 5,680,295.24 | 189,343.17 |
| Philippines | Peso | 2,186,351.24 | 1,091,426.54 |
| Total Group III | .................. | .................. | 31,921,473.75 |
| Grand total | .................. | .................. | 165,367,704.84 |

[1] Group I--general funds, represents those currencies from which the proceeds of sales are for credit to miscellaneous receipts of the Treasury.

[2] Group II--agency funds, represents currencies acquired by the United States under guaranty provisions of Section 111(b)(3) of the Economic Cooperation Act of 1948, as amended (22 U.S.C. 1509(b)), from which the proceeds of sales are for credit to the account of the Export-Import Bank; and currencies acquired by the United States through the sale of certain agricultural products from which the proceeds of sale are for credit to the account of the Commodity Credit Corporation.

TABLE 114.--Foreign currency transactions in the accounts of the United States Treasury Department representing currencies acquired by the United States Government without purchase with dollars,[1] December 1, 1953, through June 30, 1954

[In United States dollar equivalent]

| | | |
|---|---|---|
| Balance in the Treasury Department Dec. 1, 1953 | | $25,114,797.88 |
| Transferred to the Treasury Department on Dec. 1, 1953, by U. S. agencies pursuant to Treasury Department Circular No. 930, dated October 19, 1953 | | 280,722,226.29 |
| Collections--Dec. 1, 1953 to June 30, 1954 | | 242,374,400.38 |
| Total available | | 548,211,424.55 |
| Withdrawals--Dec. 1, 1953 to June 30, 1954: | | |
| Sales for dollars (financed from United States dollar appropriations of agencies): | | |
| General funds, the proceeds of which were credited to miscellaneous receipts of the Treasury | $245,371,697.53 | |
| Funds, the proceeds of which are for discharge of investment guarantee liabilities under the Mutual Security Act (administered by Export-Import Bank of Washington) | 1,203,546.32 | |
| Funds derived from sale of surplus agricultural products, and applied to reimburse the Commodity Credit Corporation | 512,562.79 | |
| Total sales for dollars | 247,087,806.64 | |
| Requisitioned, pursuant to law, without reimbursement to the Treasury: | | |
| For obligations incurred prior to July 1, 1953 (Public Law 207, 83d. Cong., 31 U.S.C. 724) | 76,263,790.64 | |
| For other purposes (Secs. 550 and 708(c) of Public Law 118, 83d. Cong. 31 U.S.C. 724 and 22 U.S.C. 1513), and trust funds[2] | 59,293,839.63 | |
| Total amounts requisitioned | 135,557,630.27 | |
| Total withdrawals | | 382,645,436.91 |
| Adjustments (rate fluctuations, etc.) | | -198,282.79 |
| Balance in the Treasury Department June 30, 1954:[3] | | |
| General funds for credit to miscellaneous receipts | 109,927,712.64 | |
| Informational media guaranty funds for credit to Export-Import Bank of Washington | 4,816,886.50 | |
| Commodity Credit Corporation funds | 18,701,631.96 | |
| Trust funds | 31,921,473.75 | |
| Total | | 165,367,704.85 |

[1] Pursuant to Executive Order No. 10488 of September 23, 1953, the Treasury issued regulations which became effective on December 1, 1953, governing the purchase, custody, transfer, and sale of foreign exchange by executive departments and agencies (Department Circular No. 930, dated October 19, 1953, see exhibit 74).

[2] Trust funds included in this category amount to $9,183,044.82.

[3] For detail of currencies held see preceding table. In addition to the balance held by the Treasury, U. S. Government agencies also held foreign currencies, acquired by the United States without purchase with dollars on June 30, 1954, in the amount of $60,324,272.84. These currencies represent unexpended balances of amounts requisitioned from the Treasury without reimbursement therefor during the period December 1, 1953, to June 30, 1954, shown in the table under the caption "Withdrawals." The currencies, according to purpose for which requisitioned, are as follows:

| | |
|---|---|
| Liquidation of mutual security program obligations incurred prior to July 1, 1953 (continued available) | $22,893,998.77 |
| Liquidation of other than mutual security program obligations incurred prior to July 1, 1953 (lapsed) | 894,915.71 |
| Purposes of Secs. 550 and 708(c) of the Mutual Security Act of 1953 (31 U.S.C.724) | 35,141,826.60 |
| Trust funds | 1,393,531.76 |
| Balance held by agencies, June 30, 1954 | 60,324,272.84 |

## INDEBTEDNESS OF FOREIGN GOVERNMENTS

TABLE 115.--Indebtedness of foreign governments to the United States arising from World War I, and payments thereon as of June 30, 1954

| Country | Indebtedness | | | | Payments | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Total | Principal | | Interest | Total | Principal | | Interest | |
| | | Due and unpaid[1] | Unmatured | Due and unpaid[1] | | Funded debts | Unfunded debts | Funded debts | Unfunded debts |
| Armenia | $32,773,042.16 | $11,959,917.49 | ............... | $20,813,124.67 | ............... | ............... | ............... | ............... | ............... |
| Austria[2] | 26,024,539.59 | 13,623,712.32 | $12,356,768.34 | 44,058.93 | $862,668.00 | $862,668.00 | ............... | ............... | ............... |
| Belgium | 578,423,077.60 | 114,900,000.00 | 285,780,000.00 | 177,743,077.60 | 52,191,273.24 | 17,100,000.00 | $2,057,630.37 | $14,490,000.00 | $18,543,642.87 |
| Cuba | ............... | ............... | ............... | ............... | 12,286,751.58 | ............... | 10,000,000.00 | ............... | 2,286,751.58 |
| Czechoslovakia | 216,359,708.41 | 51,181,108.90 | 114,060,000.00 | 51,118,599.51 | 20,134,092.26 | 19,829,914.17 | ............... | ............... | 304,178.09 |
| Estonia | [3] 29,644,470.81 | 3,674,012.87 | 12,792,000.00 | 13,178,457.94 | 1,248,432.07 | ............... | ............... | 1,246,990.19 | 1,441.88 |
| Finland | [4] 7,125,775.82 | ............... | 6,780,678.82 | [5] 345,097.00 | 10,726,332.65 | 2,219,321.18 | ............... | 8,197,696.20 | 309,315.27 |
| France | 5,377,092,964.36 | 1,293,841,430.30 | 2,569,808,569.70 | 1,513,442,964.36 | 486,075,891.00 | 161,350,000.00 | 64,689,588.18 | 38,650,000.00 | 221,386,302.82 |
| Great Britain | 7,782,759,301.93 | 951,000,000.00 | 3,417,000,000.00 | 3,414,759,301.93 | 2,024,854,297.74 | 232,000,000.00 | 202,181,641.56 | 1,232,775,999.07 | 357,896,657.11 |
| Greece | 40,796,095.10 | 19,091,000.00 | 12,425,000.00 | 9,280,095.10 | 4,127,056.01 | 981,000.00 | 2,922.67 | 1,983,980.00 | 1,159,153.34 |
| Hungary[6] | [3] 3,338,269.53 | 397,060.00 | 1,511,500.00 | 1,429,709.53 | 556,919.76 | 73,995.50 | ............... | 482,171.22 | 753.04 |
| Italy | 2,116,976,159.34 | 411,900,000.00 | 1,593,000,000.00 | 112,076,159.34 | 100,829,880.16 | 37,100,000.00 | 364,319.28 | 5,766,708.26 | 57,598,852.62 |
| Latvia | [3] 12,267,942.04 | 1,509,264.20 | 5,370,200.00 | 5,388,477.84 | 761,549.07 | 9,200.00 | ............... | 621,520.12 | 130,828.95 |
| Liberia | ............... | ............... | ............... | ............... | 36,471.56 | ............... | 26,000.00 | ............... | 10,471.56 |
| Lithuania | [3] 11,004,247.03 | 1,335,680.00 | 4,862,002.00 | 4,806,565.03 | 1,237,956.58 | 234,783.00 | ............... | 1,001,626.61 | 1,546.97 |
| Nicaragua[7] | ............... | ............... | ............... | ............... | 168,575.84 | ............... | 141,950.36 | ............... | 26,625.48 |
| Poland | [3] 370,988,404.20 | 43,312,000.00 | 162,745,000.00 | 164,931,404.20 | 22,646,297.55 | [8] 1,287,297.37 | ............... | [9] 19,310,775.90 | 2,048,224.28 |
| Rumania[10] | 91,233,294.87 | 20,310,560.43 | 43,550,000.00 | 27,372,734.44 | [10] 4,791,007.22 | 2,700,000.00 | 1,798,632.02 | 29,061.46 | 263,313.74 |
| Russia | 534,973,095.00 | 192,601,297.37 | ............... | 342,371,797.63 | [11] 8,750,311.88 | ............... | ............... | ............... | [11] 8,750,311.88 |
| Yugoslavia[12] | 66,200,631.28 | 13,153,000.00 | 48,472,000.00 | 4,575,631.28 | 2,588,771.69 | 1,225,000.00 | 727,712.55 | ............... | 636,059.14 |
| Total | 17,297,981,019.07 | 3,143,790,043.88 | 8,290,513,718.86 | 5,863,677,256.33 | 2,754,874,535.86 | 476,973,179.22 | 281,990,396.99 | 1,324,556,529.03 | 671,354,430.62 |

[1] Includes amounts postponed and unpaid under moratorium agreements for the fiscal year 1932. For total principal and interest by country see Annual Report of the Secretary of Treasury for 1947, p. 107.

[2] The German Government was notified on April 1, 1938, that the Government of the United States would look to the German Government for the discharge of the indebtedness of the Government of Austria to the Government of the United States.

[3] Increase over amount funded due to exercise of options with respect to the payment of interest due on original issue of bonds of debtor government.

[4] The act approved August 24, 1949 (20 U.S.C. 222 - 224), provides that any sum due or paid by the Government of Finland to the United States as the result of World War I shall be deposited in the Treasury and made available for educational and technical instruction and training in the United States for citizens of Finland, and to provide opportunities for American citizens to carry out academic enterprises in Finland. Payments by Finland after the approval date of the act through June 30, 1954, totaling $2,023,351.98, were made available pursuant to the act.

[5] Represents payments deferred.

[6] The Hungarian Government deposited with the foreign creditors' account at the Hungarian National Bank an amount of pengo equivalent to the interest payments due from December 15, 1932, to June 15, 1937. The debt-funding and moratorium agreements with Hungary provide for payment in dollars to the United States.

[7] The United States held obligations in the principal amount of $289,898.78, which, together with accrued interest thereon, were canceled on October 6, 1939, pursuant to the agreement of April 14, 1938, between the United States and the Republic of Nicaragua, ratified by the United States Senate on June 13, 1938.

[8] Excludes claim allowance of $1,813,428.69 dated December 15, 1929.

[9] Excludes book credit of $408.02 for overpayment.

[10] Excludes payment by the Rumanian Government to the Treasury on June 15, 1940, of $100,000 as "a token of its good faith and of its real desire to reach a new agreement covering" Rumania's indebtedness to the United States. Silver bullion in the amount of $29,061.46 was paid to the United States on June 16, 1933, which payment was credited June 15, 1947.

[11] Consists principally of proceeds of liquidation of assets of the Russian Government in the United States. (See Annual Report of the Secretary for 1922, p. 283).

[12] This Government has not accepted the provisions of the moratorium.

TABLE 116.--World War I indebtedness of Germany to the United States and amounts paid and not paid, June 30, 1954 (agreement of June 23, 1930)

PART I. INDEBTEDNESS OF GERMANY, JUNE 30, 1954

| Class | Indebtedness as funded | Total indebtedness June 30, 1954[1] | Principal balance | Interest accrued and unpaid |
|---|---|---|---|---|
| Army costs (reichsmarks)........... | 1,048,100,000 | 1,197,933,770.25 | 997,500,000 | [2] 200,433,770.25 |
| Mixed claims (reichsmarks)......... | 2,121,600,000 | 2,550,000,000.00 | 2,040,000,000 | 510,000,000.00 |
| Reichsmarks canceled[3].............. | -489,600,000 | -881,790,000.00 | -489,600,000 | -392,190,000.00 |
| Balance.......................... | 1,632,000,000 | 1,668,210,000.00 | 1,550,400,000 | 117,810,000.00 |
| Total.......................... | 2,680,100,000 | 2,866,143,770.25 | 2,547,900,000 | 318,243,770.25 |
| Total (in U. S. dollars, at 40.33 cents to the reichsmark)......... | $1,080,884,330 | $1,155,915,782.54 | $1,027,568,070 | $128,347,712.54 |

PART II. PAYMENTS RECEIVED FROM GERMANY THROUGH JUNE 30, 1954 (AGREEMENT OF JUNE 23, 1930)

| Class | Total payments received as of June 30, 1954 | Payments of principal | Payments of interest |
|---|---|---|---|
| Army costs (reichsmarks)............................. | 51,456,406.25 | 50,600,000.00 | 856,406.25 |
| Mixed claims (reichsmarks)........................... | 87,210,000.00 | 81,600,000.00 | 5,610,000.00 |
| Total (reichsmarks)............................. | 138,666,406.25 | 132,200,000.00 | 6,466,406.25 |
| Total payments (in U. S. dollars).................... | $33,587,809.69 | $31,539,595.84 | $2,048,213.85 |

PART III. AMOUNTS NOT PAID BY GERMANY ACCORDING TO CONTRACT, JUNE 30, 1954 (AGREEMENT OF JUNE 23, 1930)

| Due date | Funding agreement | | Moratorium agreement | Total |
|---|---|---|---|---|
| | Principal | Interest | | |
| Total to June 30, 1953, (reichsmarks)............................ | 1,410,900,000 | 652,158,625.00 | 30,580,989.00 | 2,093,639,614.00 |
| Less cancellation of April 1, 1953[3]........................ | -489,600,000 | -392,190,000.00 | ................ | -881,790,000.00 |
| Subtotal...................... | 921,300,000 | 259,968,625.00 | 30,580,989.00 | 1,211,849,614.00 |
| Sept. 30, 1953 (reichsmarks)....... | 38,050,000 | 32,202,125.00 | ................ | 70,252,125.00 |
| March 31, 1954 (reichsmarks)....... | 38,050,000 | 20,792,031.25 | ................ | 58,842,031.25 |
| Total (reichsmarks)........... | 997,400,000 | 312,962,781.25 | 30,580,989.00 | 1,340,943,770.25 |
| Total (in U. S. dollars, at 40.33 cents to the reichsmark)......... | $402,251,420 | $126,217,889.66 | $12,333,312.86 | $540,802,622.52 |

PART IV. INDEBTEDNESS OF GERMANY UNDER THE AGREEMENT OF FEBRUARY 27, 1953, AS OF JUNE 30, 1954

| Class | Indebtedness as funded in U. S. dollars | Total payments through June 30, 1954 | Total indebtedness June 30, 1954 |
|---|---|---|---|
| Mixed claims (U. S. dollars)......................... | $97,500,000 | $6,000,000 | $91,500,000 |

[1] Includes interest accrued under unpaid moratorium agreement annuities.

[2] Includes 4,027,611.95 reichsmarks deposited by German Government in the Konversionskasse für Deutsche Auslandsschulden and not paid to the United States in dollars as required by the debt and moratorium agreement.

[3] Reduction of 489,600,000 reichsmarks under agreement of February 27, 1953, (24 bonds in the amount of 20,400,000 reichsmarks each) in exchanges for 26 dollar bonds ($97,500,000) of the Federal Republic of Germany payable in U. S. dollars and due in installments on April 1 of each year until paid, (see Part IV).

TABLE 117.--Summary of amounts billed, collected and balances due the United States under lend-lease and surplus property repayment agreements (World War II), as of June 30, 1954

PART I

| Country | Amount billed (Net) | Credits: Collections: United States dollars (less refunds) | Credits: Collections: Foreign currency | Credits: Other credits | Balances: Advance payments by foreign Governments[1] | Balances: Due United States: Total | Balances: Due United States: Past due[2] | Balances: Due United States: Due this year | Balances: Due United States: To be repaid over a period of years by agreement |
|---|---|---|---|---|---|---|---|---|---|
| Australia | $42,420,061.25 | $25,796,084.78 | $2,113,074.09 | $832,789.26 | ........ | $13,678,113.12 | $3,126.86 | ........ | $13,674,986.26 |
| Austria | 9,926,435.08 | 1,139,955.58 | 1,937,500.00 | 556,807.01 | ........ | 6,292,172.49 | ........ | ........ | 6,292,172.49 |
| Belgium and Belgian Congo | 114,274,462.50 | 30,886,958.39 | 6,085,892.83 | 62,724,428.08 | ........ | 14,577,183.20 | ........ | ........ | 14,577,183.20 |
| Burma | 6,244,079.26 | ........ | 3,241,910.88 | 142,077.32 | ........ | 2,860,091.06 | ........ | ........ | 2,860,091.06 |
| Canada | 388,758,509.03 | 388,758,509.03 | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| China | 85,179,153.13 | 16,062,109.14 | ........ | ........ | $3,584,435.73 | 72,701,479.72 | 31,309,524.65 | $2,794,145.76 | 38,597,809.31 |
| Czechoslovakia | 8,755,058.02 | 596,730.50 | 1,062,961.45 | 1,990,965.94 | ........ | 5,104,400.13 | 313,667.55 | 310,454.08 | 4,480,278.50 |
| Denmark | 5,218,032.26 | 4,177,773.85 | 456,770.00 | 42,337.42 | ........ | 541,150.99 | 21,509.90 | 22,797.58 | 496,843.51 |
| Ethiopia | 4,558,958.37 | 41,745.49 | ........ | 578,036.44 | ........ | 3,939,176.44 | ........ | ........ | 3,939,176.44 |
| Finland | 21,429,205.57 | 4,135,054.80 | 1,208,175.00 | 692,567.69 | ........ | 15,393,408.08 | ........ | ........ | 15,393,408.08 |
| France | 1,111,455,147.41 | 383,866,162.19 | 44,568,198.53 | 49,013,124.92 | ........ | 634,007,661.77 | ........ | ........ | 634,007,661.77 |
| Germany | 207,518,253.59 | ........ | 33,000,000.00 | ........ | ........ | 174,518,253.59 | ........ | ........ | 174,518,253.59 |
| Greece | 62,844,431.50 | 11,244,117.06 | 3,124,924.92 | 1,206,763.08 | 1,766.62 | 47,270,393.06 | ........ | ........ | 47,270,393.06 |
| Greenland | 8,351.28 | 8,351.28 | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Hungary | 18,114,557.34 | ........ | 3,502,757.48 | 1,817,744.93 | ........ | 12,794,054.93 | 511,762.19 | 511,762.19 | 11,770,530.55 |
| Iceland | 4,855,981.42 | 4,496,553.29 | 32,000.00 | ........ | ........ | 327,428.13 | ........ | ........ | 327,428.13 |
| India | 240,442,356.66 | 62,080,717.71 | 2,271,212.11 | 85,426.76 | ........ | 176,005,000.08 | 4,501,533.12 | ........ | 171,503,466.96 |
| Iran | 11,842,707.95 | 8,940,537.00 | ........ | ........ | ........ | 2,902,170.95 | 2,856,610.28 | 45,560.67 | ........ |
| Iraq | 54.00 | 54.00 | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Italy | 246,231,503.12 | 96,386,293.65 | 23,835,948.70 | 3,544,507.95 | ........ | 122,464,752.82 | 5,940,651.75 | 6,837,031.85 | 109,687,069.22 |
| Japan | 14,034,716.93 | ........ | 8,428,055.56 | 756,926.82 | ........ | 4,849,734.55 | ........ | ........ | 4,849,734.55 |
| Korea | 27,451,903.50 | ........ | 2,524,307.70 | 3,977,576.38 | ........ | 20,950,019.42 | ........ | ........ | 20,950,019.42 |
| Lebanon | 1,656,638.01 | ........ | 521,818.51 | 1,134,819.50 | ........ | ........ | ........ | ........ | ........ |
| Liberia | 19,440,619.66 | 167,937.27 | ........ | ........ | ........ | 19,272,682.39 | ........ | ........ | 19,272,682.39 |
| Luxembourg | 120.00 | 120.00 | ........ | ........ | ........ | ........ | ........ | ........ | ........ |
| Middle East | 50,377,450.28 | 11,126,630.72 | 39,234,823.16 | ........ | ........ | 15,996.40 | 15,996.40 | ........ | ........ |
| Netherlands | 169,800,240.77 | 42,000,072.46 | 1,998,000.00 | 28,383,278.87 | ........ | 97,418,889.44 | ........ | ........ | 97,418,889.44 |
| New Zealand | 4,935,288.23 | 602,556.05 | 557,459.28 | 531,422.75 | ........ | 3,243,850.15 | ........ | ........ | 3,243,850.15 |
| Norway | 21,076,124.16 | 10,706,151.00 | 2,711,023.97 | 163,713.12 | ........ | 7,495,236.07 | ........ | ........ | 7,495,236.07 |
| Philippines | 5,000,000.00 | ........ | 1,205,855.29 | 2,507,115.11 | ........ | 1,287,029.60 | ........ | ........ | 1,287,029.60 |
| Poland | 43,218,825.23 | 5,820,481.67 | 4,929,578.77 | ........ | ........ | 32,468,764.79 | 27,706.15 | 1,379,162.13 | 31,061,896.51 |
| Saudi Arabia | 15,158,129.77 | ........ | ........ | ........ | ........ | 15,158,129.77 | ........ | ........ | 15,158,129.77 |
| Southern Rhodesia | 1,415,510.98 | 1,371,931.69 | ........ | ........ | ........ | 43,579.29 | 43,579.29 | ........ | ........ |
| Sweden | 2,115,595.48 | 240,689.98 | 1,666,986.90 | 50,112.60 | ........ | 157,806.00 | ........ | 157,806.00 | ........ |
| Thailand | 7,048,773.88 | 2,235,685.85 | 2,947,197.62 | 650,931.47 | ........ | 1,214,958.94 | ........ | ........ | 1,214,958.94 |
| Turkey | 14,494,844.43 | 11,070,243.87 | 2,110,714.28 | 1,269,799.84 | ........ | 44,086.44 | ........ | 44,086.44 | ........ |
| Union of South Africa | 117,774,297.35 | 116,608,622.69 | 242,487.98 | 923,186.68 | ........ | ........ | ........ | ........ | ........ |
| Union of Soviet Socialist Republics | 276,629,208.27 | 33,273,794.58 | ........ | ........ | ........ | 243,355,413.69 | 15,584,369.68 | 5,278,378.00 | 222,492,666.01 |

| Country | Amount billed (Net) | Credits | | | Balances | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Collections | | | | Due United States | | | |
| | | United States dollars (less refunds) | Foreign currency | Other credits | Advance payments by foreign Governments[1] | Total | Past due[2] | Due this year | To be repaid over a period of years by agreement |
| United Kingdom and colonies.............. | $971,027,133.32 | $157,405,198.71 | $16,687,407.24 | $154,635,335.62 | ............ | $642,299,191.75 | ........... | ........... | $642,299,191.75 |
| Yugoslavia.............. | 963,376.50 | 63,376.50 | 16,300.00 | 623,065.20 | ............ | 260,634.80 | ........... | ........... | 260,634.80 |
| American Republics...... | 136,676,660.05 | 105,837,875.59 | 10,354,163.15 | 3,154,183.21 | $3,763.89 | 17,334,201.99 | $4,017,235.39 | ........... | 13,316,966.60 |
| American Red Cross...... | 2,023,386.90 | 2,023,386.90 | ............. | .............. | ............ | .............. | ........... | ........... | .............. |
| Federal agencies........ | 242,452,491.94 | 242,401,129.81 | ............. | .............. | ............ | 51,362.13 | ........... | $51,362.13 | .............. |
| Military withdrawals.... | 187,629.76 | 649.00 | 186,980.76 | .............. | ............ | .............. | ........... | ........... | .............. |
| Miscellaneous items..... | 1,472,077.38 | 1,136,573.15 | 335,504.23 | .............. | ............ | .............. | ........... | ........... | .............. |
| United Nations Relief and Rehabilitation Administration............... | 7,226,762.25 | 7,226,762.25 | ............. | .............. | ............ | .............. | ........... | ........... | .............. |
| Totals............ | 4,743,735,103.77 | 1,789,937,577.48 | 223,099,990.39 | 321,989,043.97 | 3,589,966.24 | 2,412,298,458.17 | 65,147,273.21 | 17,432,546.83 | 2,329,718,638.13 |

1 Represents cash received from foreign governments in excess of billings under cash advance agreements.
2 The majority of items listed as past due represent billings considered past due as of July 1, 1953, and also, items which are the subject of negotiations between the foreign governments and the Department of State.

TABLE 117.--Summary of amounts billed, collected, and balances due the United States under lend-lease and surplus property repayment agreements (World War II), as of June 30, 1954--Continued

PART II

| Country | Accounts receivable involving-- | | | |
|---|---|---|---|---|
| | Lend-lease settlement agreements | Surplus property agreements | Other lend-lease accounts | Total |
| Australia | ............... | $5,303,267.01 | $8,374,846.11 | $13,678,113.12 |
| Austria | ............... | 6,292,172.49 | ............... | 6,292,172.49 |
| Belgium | ............... | 14,577,183.20 | ............... | 14,577,183.20 |
| Burma | ............... | 2,860,091.06 | ............... | 2,860,091.06 |
| China | $52,488,073.27 | ............... | 20,213,406.45 | 72,701,479.72 |
| Czechoslovakia | ............... | 5,104,400.13 | ............... | 5,104,400.13 |
| Denmark | ............... | 541,150.99 | ............... | 541,150.99 |
| Ethiopa | 81,398.66 | ............... | 3,857,777.78 | 3,939,176.44 |
| Finland | ............... | 15,393,408.08 | ............... | 15,393,408.08 |
| France | 326,647,534.68 | 307,360,127.09 | ............... | 634,007,661.77 |
| Germany | ............... | 174,518,253.59 | ............... | 174,518,253.59 |
| Greece | ............... | 47,270,393.06 | ............... | 47,270,393.06 |
| Hungary | ............... | 12,794,054.93 | ............... | 12,794,054.93 |
| Iceland | ............... | 327,428.13 | ............... | 327,428.13 |
| India | ............... | 10,792,424.24 | 165,212,575.84 | 176,005,000.08 |
| Iran | 711,753.36 | 2,100,417.59 | 90,000.00 | 2,902,170.95 |
| Italy | ............... | 122,464,752.82 | ............... | 122,464,752.82 |
| Japan | ............... | 4,849,734.55 | ............... | 4,849,734.55 |
| Korea | ............... | 20,950,019.42 | ............... | 20,950,019.42 |
| Lebanon | ............... | ............... | ............... | ............... |
| Liberia | ............... | ............... | 19,272,682.39 | 19,272,682.39 |
| Middle East | ............... | ............... | 15,996.40 | 15,996.40 |
| Netherlands | 42,667,083.76 | 14,405,251.98 | 40,346,553.70 | 97,418,889.44 |
| New Zealand | ............... | 3,243,850.15 | ............... | 3,243,850.15 |
| Norway | 5,900,000.00 | 1,595,236.07 | ............... | 7,495,236.07 |
| Philippines | ............... | 1,287,029.60 | ............... | 1,287,029.60 |
| Poland | ............... | 32,468,514.79 | 250.00 | 32,468,764.79 |
| Saudi Arabia | ............... | ............... | 15,158,129.77 | 15,158,129.77 |
| Southern Rhodesia | ............... | ............... | 43,579.29 | 43,579.29 |
| Sweden | ............... | 157,806.00 | ............... | 157,806.00 |
| Thailand | ............... | 1,214,958.94 | ............... | 1,214,958.94 |
| Turkey | ............... | 44,086.44 | ............... | 44,086.44 |
| Union of South Africa | ............... | ............... | ............... | ............... |
| Union of Soviet Socialist Republics | 236,244,534.76 | ............... | 7,110,878.93 | 243,355,413.69 |
| United Kingdom | 531,328,484.63 | 48,200,757.70 | 62,769,949.42 | 642,299,191.75 |
| Yugoslavia | 260,634.80 | ............... | ............... | 260,634.80 |
| American Republics | 16,214,824.65 | 1,780.33 | 1,117,597.01 | 17,334,201.99 |
| Federal Agencies | ............... | ............... | 51,362.13 | 51,362.13 |
| Total | 1,212,544,322.57 | 856,118,550.38 | 343,635,585.22 | 2,412,298,458.17 |

TABLE 118.--Outstanding indebtedness of foreign countries on United States Government credits, as of June 30, 1954, by area, country, and type

[In millions of dollars]

| Area and country | Export-Import Bank | Mutual security | Lend-lease, surplus property, and settlements for grants[1] | Other credits | Total |
|---|---|---|---|---|---|
| Western Europe: | | | | | |
| Austria | 6 | ............ | 8 | ............ | 13 |
| Belgium and Luxembourg | 75 | 68 | 15 | ............ | 158 |
| Denmark | 16 | 33 | 1 | ............ | 50 |
| Finland | 87 | ............ | 19 | ............ | 106 |
| France | 1,008 | 233 | 670 | ............ | 1,911 |
| Germany (western) | ............ | 25 | 1,171 | ............ | 1,196 |
| Greece | 13 | 2 | 66 | ............ | 81 |
| Iceland | ............ | 5 | (*) | ............ | 6 |
| Ireland | ............ | 128 | ............ | ............ | 128 |
| Italy | 43 | 98 | 158 | ............ | 300 |
| Netherlands | 74 | 150 | 98 | ............ | 322 |
| Norway | 35 | 60 | 11 | ............ | 106 |
| Portugal | 7 | 39 | ............ | ............ | 46 |
| Spain | 12 | 49 | ............ | ............ | 61 |
| Sweden | ............ | 20 | (*) | ............ | 21 |
| Turkey | 6 | 85 | 4 | ............ | 95 |
| United Kingdom | ............ | 392 | 642 | 3,614 | 4,648 |
| Yugoslavia | 55 | ............ | (*) | ............ | 55 |
| Total Western Europe | 1,438 | 1,387 | 2,863 | 3,614 | 9,302 |
| Other Europe: | | | | | |
| Czechoslovakia | ............ | ............ | 5 | ............ | 5 |
| Hungary | ............ | ............ | 13 | ............ | 13 |
| Poland | 38 | ............ | 32 | ............ | 70 |
| U.S.S.R. | ............ | ............ | 222 | ............ | 222 |
| Total Other Europe | 38 | ............ | 273 | ............ | 311 |
| Asia: | | | | | |
| Afghanistan | 20 | 1 | ............ | ............ | 21 |
| China | 33 | ............ | 123 | ............ | 156 |
| India | ............ | 190 | 172 | ............ | 361 |
| Indonesia | 53 | 17 | 57 | ............ | 127 |
| Iran | ............ | ............ | 24 | ............ | 24 |
| Israel | 123 | ............ | ............ | ............ | 123 |
| Japan | 85 | ............ | 5 | ............ | 90 |
| Korea (southern) | ............ | ............ | 21 | ............ | 21 |
| Pakistan | ............ | 15 | ............ | ............ | 15 |
| Philippines | 10 | ............ | 3 | 65 | 79 |
| Saudi Arabia | 9 | ............ | 15 | ............ | 24 |
| Other Asia | 1 | ............ | 4 | ............ | 5 |
| Total Asia | 333 | 223 | 424 | 65 | 1,046 |
| Latin America: | | | | | |
| Argentina | 96 | ............ | ............ | ............ | 96 |
| Bolivia | 34 | ............ | ............ | ............ | 34 |
| Brazil | 430 | ............ | 4 | 4 | 437 |
| Chile | 79 | ............ | ............ | ............ | 79 |
| Colombia | 33 | ............ | ............ | ............ | 33 |
| Costa Rica | 6 | ............ | ............ | ............ | 6 |
| Cuba | 12 | ............ | ............ | ............ | 12 |
| Ecuador | 17 | ............ | ............ | (*) | 17 |
| Haiti | 9 | ............ | (*) | (*) | 9 |
| Jamaica | ............ | 18 | ............ | ............ | 18 |
| Mexico | 115 | ............ | ............ | (*) | 115 |
| Peru | 16 | ............ | 2 | ............ | 18 |
| Uruguay | 11 | ............ | 1 | ............ | 12 |
| Venezuela | 7 | ............ | ............ | ............ | 7 |
| Other Latin America | 6 | (*) | ............ | ............ | 6 |
| Unspecified Latin America | 1 | ............ | 16 | ............ | 17 |
| Total Latin America | 871 | 18 | 23 | 4 | 916 |
| Africa: | | | | | |
| Egypt | 6 | ............ | ............ | ............ | 6 |
| Liberia | 2 | ............ | 20 | ............ | 22 |
| Rhodesia and Nyasaland | ............ | 19 | ............ | 4 | 23 |
| French Morocco | ............ | 10 | ............ | ............ | 10 |

Footnotes at end of table.

TABLE 118.--Outstanding indebtedness of foreign countries on United States Government credits, as of June 30, 1954, by area, country, and type--Continued

[In millions of dollars]

| Area and country | Export-Import Bank | Mutual security | Lend-lease, surplus property, and settlements for grants[1] | Other credits | Total |
|---|---|---|---|---|---|
| Africa--Continued | | | | | |
| Union of South Africa | 75 | (*) | ........... | ........... | 75 |
| Other Africa | (*) | 8 | 4 | (*) | 12 |
| Total Africa | 84 | 37 | 24 | 4 | 149 |
| Oceania: | | | | | |
| Australia | 2 | ........... | 14 | ........... | 15 |
| Other Oceania | ........... | 2 | 3 | ........... | 5 |
| Total Oceania | 2 | 2 | 17 | ........... | 20 |
| Canada | ........... | ........... | ........... | 11 | 11 |
| International organizations | ........... | ........... | ........... | 62 | 62 |
| Total all areas | 2,765 | 1,667 | 3,624 | 3,761 | 11,816 |

Source: U. S. Department of Commerce.
*Less than $500,000.
[1] Data on lend-lease, surplus property, and settlements for grants include approximately $1,268,000,000 for surplus property and other credits outstanding and administered by Federal agencies other than the Treasury Department, and exclude about $54,000,000 in defaulted short-term "cash" credits and past due interest.

## PERSONNEL

TABLE 119.--Number of employees in the departmental and field services of the Treasury Department quarterly from June 30, 1953, to June 30, 1954

| | June 30, 1953 | Sept. 30, 1953 | Dec. 31, 1953 | Mar. 31, 1954 | June 30, 1954 | Increase, or decrease (-), since June 30, 1953 |
|---|---|---|---|---|---|---|
| Office of the Secretary | 518 | 520 | 512 | 507 | 507 | -11 |
| Comptroller of the Currency, Bureau of | 1,083 | 1,099 | 1,109 | 1,104 | 1,109 | 26 |
| Customs, Bureau of | 8,781 | 8,452 | 8,317 | 8,281 | 8,325 | -456 |
| Engraving and Printing, Bureau of | 5,614 | [1] 5,339 | 5,160 | 4,938 | 4,701 | -913 |
| Fiscal Service: | | | | | | |
| Accounts, Bureau of | 2,746 | 2,630 | 2,546 | [2] 3,123 | 2,589 | -157 |
| Public Debt, Bureau of | 3,489 | 3,328 | 3,228 | 3,304 | 3,411 | -78 |
| Treasurer, Office of | 1,211 | 1,195 | 1,198 | 1,179 | 1,149 | -62 |
| Internal Revenue Service | 53,243 | 51,312 | 51,168 | [2] 55,913 | 51,590 | -1,653 |
| International Finance, Office of | 160 | 157 | 152 | 147 | 143 | -17 |
| Mint, Bureau of | 1,011 | 973 | 957 | 945 | 883 | -128 |
| Narcotics, Bureau of | 377 | 378 | 376 | 371 | 373 | -4 |
| U. S. Coast Guard | 5,842 | 5,107 | 4,959 | 4,992 | 4,963 | -879 |
| U. S. Savings Bond Division | 638 | 621 | 603 | 592 | 583 | -55 |
| U. S. Secret Service | 777 | [3] 591 | 580 | 569 | 567 | -210 |
| Total civilian employees | 85,490 | 81,702 | 80,865 | 85,965 | 80,893 | -4,597 |
| Military employees--U. S. Coast Guard | 34,491 | 34,894 | 32,967 | 30,389 | 29,154 | -5,337 |
| Grand total | 119,981 | 116,596 | 113,832 | 116,354 | 110,047 | -9,934 |

NOTE.--The figures in this table show the actual number of paid employees for the last month in each quarter.

[1] Includes 152 guards transferred from U. S. Secret Service, effective July 1, 1953.

[2] Includes seasonal employees.

[3] See note 1.

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